Property Policy

Date Adopted: 21 April 2026

Version: 1.0

Policy Objectives

This Policy establishes Council's overarching governance framework for the management, use and stewardship of all Council-owned and Council-controlled property. It applies to property that is leased, licensed or rented or as well as property that is acquired, disposed of, surplus or decommissioned.

The Policy ensures that Council property is managed in a transparent, consistent and financially responsible manner, while enabling service delivery and community benefit.

The objectives of this Policy are to:

- Ensure property dealings generate appropriate income to support Council's operations and long-term financial sustainability
- Promote good governance, transparent, consistent, fair and equitable decision-making in all property matters
- Manage Council's property assets prudently to protect and enhance Council's financial, legal and reputational interests
- Support local business activity, appropriate residential use, economic development and community benefit where applicable
- Ensure property decisions align with Council's broader strategic, economic and asset management plans.

Policy Scope

This Policy applies to all Council-controlled land and buildings where Council grants occupation or rights through a lease or licence, including:

- Council-owned commercial properties (freehold or leasehold)
- Council-owned or managed residential properties leased or
- Properties acquired or managed for commercial use
- Properties acquired for strategic investment or future development

- Crown land for which Council is the appointed Crown Land Manager, where the land is used or proposed to be used for commercial or revenue-generating purposes

- Commercial or revenue-generating activities located within facilities primarily used for core Council service delivery, where Council grants occupation or rights to a third party (e.g. cafés or retail uses within libraries, community facilities or recreation centres).

This Policy does not apply to:

- Residential properties used for social or community housing (unless reclassified)

- Short-term or ad-hoc hire arrangements (covered under Hire Application form and Conditions of Hire)

- The non-commercial use of properties used exclusively for core Council service delivery (e.g. libraries, depots, community centres), where no third-party occupation or revenue-generating activity is involved

- Crown land where Council is not the Crown Land Manager or where use is restricted under the *Crown Land Management Act 2016*.

Policy Statement

Council is committed to managing its property portfolio in a manner that balances financial sustainability, service delivery, community outcomes and long-term asset stewardship. All decisions relating to Council property must be ethical, transparent, consistent and defensible, and must deliver value to the community.

1. Principles:

The following principles apply to all Council lease, licence and property-related decisions.

1.1 Public interest
Council property decisions must support a clear commercial, public or community purpose and deliver outcomes that are consistent with Council's role, responsibilities and obligations to the community.

1.2 Equity and fairness
Access to and use of Council property must be managed in a fair, consistent and equitable manner. Variations may be approved where they deliver a demonstrable commercial, strategic or community benefit to Council and are approved and documented in accordance with Council's governance requirements.

1.3 Financial sustainability and value for money
Property arrangements must support Council's long-term financial sustainability and demonstrate value for money, having regard to market evidence, appropriate pricing, and the allocation of financial and commercial risk, including the responsible reinvestment of proceeds from property disposals.

1.4 Transparency and probity
All property decisions must be transparent, properly documented and auditable, with conflicts of interest declared and managed in accordance with Council's governance requirements.

1.5 Strategic alignment

The use and management of Council property must align with Council's Integrated Planning and Reporting Framework, asset management plans and strategic objectives, and contribute to identified economic, service delivery and community outcomes.

1.6 Accountability

Roles, responsibilities, delegations and approval pathways for property decisions must be clearly defined, understood and applied, with appropriate records maintained to support decision-making and oversight.

1.7 Risk management

Legal, financial, operational, work health and safety, compliance and reputational risks associated with Council property must be identified, assessed and managed in accordance with Council's risk management framework.

2. Property Use Classification

Council land is classified under the *Local Government Act 1993 (NSW)* as either community land or operational land, with the classification determining the permissible use, management requirements and approval pathways. Community land must be managed in accordance with an adopted Plan of Management and retained for public use and benefit, while operational land may be used for a broader range of purposes, including commercial activities, subject to Council approval and compliance with legislative requirements.

Council property may be used for commercial, community or mixed purposes. Regardless of classification or use, all property arrangements are subject to consistent governance, approval, probity and documentation requirements under this Policy and the Act. Where a community or public benefit is provided, any financial assistance — including reduced rent, rebates or fee relief — must be assessed, approved and reported in accordance with Council's adopted financial assistance and fee waiver policies.

3. Property Occupation and Use

Council may permit the occupation or use of its property through appropriate legal and commercial arrangements, including:

- Leases
- Licences
- Agreements for Lease or Licence
- Casual or short-term hire arrangements

The type of arrangement used must reflect the nature of the use, duration, level of exclusivity, risk profile and intended outcomes, and must be supported by appropriate approvals and documentation. All arrangements must be managed in accordance with approved procedures and relevant legislative requirements.

4. Rent, Fees and Financial Assistance

Fees, rents and charges for the use or occupation of Council property will be applied in a manner that is transparent, consistent, commercial in confidence and financially responsible.

Leases and licences will generally be determined having regard to market value, supported by appropriate market evidence or valuation, unless otherwise approved in accordance with Council policy and delegations.

Casual or access licences of Council property will be charged in accordance with the Fees and Charges adopted by Council from time to time.

All agreements must clearly and unambiguously document:

- Fees, rent or charges payable
- Review and escalation mechanisms
- Responsibilities for outgoings, maintenance and repairs
- All parties' rights and legal responsibilities

Any financial assistance or variation from market value or adopted Fees and Charges must not be approved under this Policy alone and must be assessed, approved and recorded in accordance with Council's adopted financial assistance policies, including the Community Group Subsidies on Rates Policy and the Fees and Charges Waiver Policy.

5. Acquisition, Disposal and Decommissioning of Property

Council may acquire, dispose of or decommission property where it supports Council's strategic objectives, service delivery needs, operational requirements or delivers a demonstrable community benefit. All property transactions must comply with relevant legislative requirements, Council policies, approved delegations and procedures, and must be supported by appropriate due diligence, approvals and documentation.

5.1 Community land

Where property is classified as community land, any acquisition, disposal or decommissioning must be undertaken in accordance with the requirements of the Local Government Act 1993 and any other applicable legislation. This includes compliance, relevant strategies or development plans, and any mandatory public notification, consultation and Council approval processes. All decisions must demonstrate consistency with the purpose of the land and deliver clear value to the community.

5.2 Operational or other non-community land

Where property is not classified as community land, acquisition, disposal or decommissioning decisions must be made in accordance with Council's delegations' framework, governance requirements and approved procedures, and must have regard to financial sustainability, risk, strategic alignment and operational needs. All actions must be properly documented and auditable.

5.3 General requirements

All property acquisition, disposal or decommissioning activities must:

- Align with Council's strategic objectives and service delivery priorities
- Be consistent with Council's financial and asset management framework
- Consider long-term operational, financial, legal and reputational risks
- Be transparent, defensible and recorded in accordance with Council's governance and records management requirements

5.4 Property Sale Proceeds and Strategic Property Reserve

In accordance with Council's Reserve Policy, the proceeds from the disposal of Council-owned property will be allocated in a transparent and consistent manner to support Council's long-term financial sustainability and strategic asset management objectives.

Unless otherwise resolved by Council, a minimum of 70 per cent of net sale proceeds (after transaction costs) will be transferred to the Strategic Property Reserve and applied to strategic property acquisitions, portfolio optimisation and renewal, investment in assets delivering long-term service, financial or community benefit, or other purposes approved by Council that align with Council's Integrated Planning and Reporting Framework and adopted financial policies.

6. Use, Care and Protection of Council Property

All users and occupiers of Council property must:

- Use property only for approved purposes
- Take reasonable care to prevent damage, misuse or deterioration
- Comply with applicable laws, safety requirements and the conditions of any agreement

Responsibilities for maintenance, repairs, damage, insurance and security must be clearly defined, documented and enforced through each agreement to protect Council's assets and manage risk.

7. Probity, Conflicts and Compliance

All property-related decisions must comply with Council's Code of Conduct, probity requirements and governance standards. Officers and Councillors involved in property matters must declare, manage and record conflicts of interest in accordance with Council policy and legislative obligations to ensure decisions are ethical, impartial and defensible.

8. Governance and Delegations

Decisions relating to Council property must be made in accordance with Council's delegations' framework and approved governance arrangements and Local Government Act provisions. Matters outside delegated authority, or where required by legislation or Council resolution, must be referred to

Council for determination. All decisions must be appropriately documented to support transparency, accountability and audit requirements.

- To support transparent, equitable and defensible decision-making, Council may utilise internal independent assessment processes when assessing lease and licence proposals, in accordance with approved procedures

- The submission of an application, Expression of Interest or proposal does not guarantee approval.

9. Roles and Responsibilities

9.1 Elected Council

- Sets the strategic direction for Council's overall property portfolio.

- Approves property acquisitions and disposals where required by legislation or Council resolution.

- Ensures transparency, probity and alignment with Council's strategic plans.

Note: Elected Council does not have a role in the approval of leases or licences, which are managed operationally under delegated authority.

9.2 Property Advisory Panel (PAP)

Strategic advisory role only — no delegated authority

The Property Advisory Panel provides strategic advice to support Council's long-term property planning, portfolio optimisation and investment decisions.

The PAP is responsible for:

- Providing strategic advice on Council's property portfolio, including acquisition and disposal opportunities

- Advising on long-term market trends, risk, valuation principles and asset optimisation strategies

- Supporting strategic alignment with Council's long-term financial and asset management objectives.

Note: The Property Advisory Panel has no role in the assessment, negotiation or approval of leases or licences, which are operational matters.

9.3 General Manager (GM)

- Ensures compliance with this Policy and all relevant legislation

- Approves leases and licences in accordance with delegated authority

- Approves property acquisitions and disposals where delegated or refers matters to Council where required

- Ensures appropriate governance, risk, legal and financial oversight

- Authorises negotiation parameters for operational property matters.

9.4 Director / Executive Leadership Team

- Ensures property activities support organisational and strategic objectives
- Oversees staff responsible for property operations, negotiations and management
- Ensures appropriate risk assessments, valuations and legal advice are obtained for decision-making.

9.5 Strategic Property Team

- Manages day-to-day operational property activities, including leases and licences
- Assesses applications and Expressions of Interest in accordance with approved procedures
- Negotiates lease and licence terms within approved parameters
- Ensures compliance with legal, financial, insurance and risk requirements
- Maintains accurate property records, including leases, licences, renewals, rent reviews and condition reports.

9.6 Finance Team

- Manages rent invoicing, receipting and revenue tracking
- Provides financial analysis and advice on property matters
- Ensures financial controls, accounting standards and audit requirements are met.

9.7 Other Council Employees

- Comply with this Policy when proposing or managing property use
- Provide technical or specialist advice (planning, legal, compliance, WHS, asset management) where required
- Escalate risks or compliance concerns through appropriate management channels.

9.8 Managing Agents

- Where engaged, managing agents may manage day-to-day property operations on Council's behalf
- Managing agents must act in accordance with this Policy, their engagement terms and Council delegations
- Managing agents do not have authority to make independent property decisions unless expressly delegated
- Ultimate accountability for property decisions remains with Council.

Policy Definitions

TERMS	DEFINITION
Agreement	Any lease, licence, agreement for lease or licence, heads of agreement or other formal arrangement approved by Council that authorises occupation or use of Council property.
Bond/Security	A monetary bond, bank guarantee or other acceptable form of security provided to Council to protect against non-payment, damage or failure to comply with agreement conditions.
Common Areas	Areas of a Council property that are not part of the exclusive premises and are intended for shared use by multiple lessees, licensees, guests or visitors, including access ways, foyers, amenities, car parks and shared outdoor areas.
Council Property	Land and buildings owned, managed or controlled by Council, including commercial, residential and community properties.
Fees and Charges	Fees adopted by Council and applied to the use or occupation of Council property, including rent, licence fees, administrative fees, access fees, call-out fees and other property-related charges.
Lease	An agreement granting exclusive possession of Council property for a defined term and subject to specified conditions.
Licence	An agreement granting permission to occupy or use Council property without exclusive possession and subject to specified conditions.
Managing Agent	An external party engaged by Council to manage property operations or leasing activities on Council's behalf, in accordance with Council's directions and this Policy.
Outgoings	Costs associated with the ownership, operation or use of Council property that may be recovered from a lessee or licensee, either in full or in part, as specified in the relevant agreement.

Permit to Carry Out Works	Council's approval process authorising works, alterations, improvements or installations to be carried out on Council property.
Commercial Property	Property owned, managed or controlled by Council that is used for revenue-generating or strategic business purposes, including where third parties are granted occupation or use rights.
Strategic Investment Property	Property held by Council for long-term strategic or financial benefit, including future development, portfolio optimisation or economic outcomes.

Policy Administration

Business Group:	Finance
Responsible officer:	Strategic Property Manager
Council reference:	Ordinary Council Meeting 21 April 2026 – Item 14.1
Policy review date:	This policy will be reviewed every three (3) years, or earlier if: • Legislative changes occur; • Council's Financial Hardship & Fee Waiver Policy or Debt Recovery Policy is amended; or • Council directs an earlier review.
File number:	84/14
Relevant legislation	This Policy is informed by and must be applied in accordance with the following legislation (as amended): • Local Government Act 1993 (NSW) • Local Government (General) Regulation 2021 (NSW) • Crown Land Management Act 2016 (NSW) • Crown Land Management Regulation 2018 (NSW) • Environmental Planning and Assessment Act 1979 (NSW) • Government Information (Public Access) Act 2009 (NSW)

	• Government Sector Finance Act 2018 (NSW) • Privacy and Personal Information Protection Act 1998 (NSW) • Work Health and Safety Act 2011 (NSW) • Conveyancing Act • Land Acquisition (Just Terms) Compensation Act • Corporations Act • Native Title Act
Related documents	This Policy is to be read in conjunction with the following Council policies, plans and frameworks (as amended from time to time): • Community Strategic Plan and Integrated Planning and Reporting (IP&R) Framework • Long Term Financial Plan • Asset Management Strategy and Asset Management Plans • Community Infrastructure Strategy • Fees and Charges Procedure • Procurement Policy • Code of Conduct • Delegation framework • Risk Management Framework • Records Management Policy • Privacy Management Policy • Commercial Property Leasing and Licensing Procedure • Property Acquisition and Disposal Procedure

Policy History

VERSION	DATE APPROVED	DESCRIPTION OF CHANGES
1.0	21 April 2026	Adopt Policy