

# Draft Park Lands Lease and Licence Policy

Tuesday, 16 April 2024  
City Finance and Governance Committee

Strategic Alignment - Our Community

**Program Contact:**  
Jennifer Kalionis, Associate  
Director City Culture

Public

**Approving Officer:**  
Ilia Houridis, Director City  
Shaping

## EXECUTIVE SUMMARY

This report provides an update to Council Members on the process of the Draft Park Lands Lease and Licence Policy ('Draft Policy').

On 2 April 2024, the City Community Services and Culture Committee considered a report seeking approval to re-consult on the Draft Policy due to the amendments to date constituting material changes to the Draft Policy that was previously consulted on in 2022. In considering this matter, the Committee resolved:

*"That the City Community Services and Culture Committee Recommends to Council*

*That Council*

- 1. Defers consideration of this item to the next meeting of the City Finance and Governance Committee on the 16th of April 2024."*

The subsequent review of the feedback that Council Members provided at the meeting on 2 April 2024 on the Draft Policy and the Park Lands Community Buildings Workshop, has led the Administration to recommend through this report that the next step for the Draft Policy is the tabling of a revised version of the Draft Policy to the City Community Services and Culture Committee on 4 June 2024.

This will enable sufficient time for the Administration to redraft existing content to address feedback received from the discussion at the City Community Services and Culture Committee and allow for an informed discussion on the revised Draft Policy prior to undertaking a second round of public consultation.

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## RECOMMENDATION

### THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE

1. Notes that a Draft Park Lands Lease and Licence Policy will be presented to the City Community Services and Culture Committee on 4 June 2024 seeking approval for public consultation.
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## IMPLICATIONS AND FINANCIALS

City of Adelaide 2024-2028 Strategic Plan	<b>Strategic Alignment – Our Community</b>
Policy	If adopted, the Draft Policy will supersede the Adelaide Park Lands Leasing and Licensing Policy adopted by Council in January 2016
Consultation	Community consultation on the Draft Policy occurred between 24 May and 14 June 2022.
Resource	Review of the Draft Policy will be undertaken within existing resources.
Risk / Legal / Legislative	Not as a result of this report
Opportunities	Not as a result of this report
23/24 Budget Allocation	Not as a result of this report
Proposed 24/25 Budget Allocation	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Not as a result of this report
23/24 Budget Reconsideration (if applicable)	Not as a result of this report
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

# DISCUSSION

1. The City of Adelaide leases buildings and land for community and commercial uses on the Adelaide Park Lands. The City of Adelaide's support for the undertaking of sporting and commercial activities on the Park Lands underpins their use and activation for both formal and informal recreation. This is managed through the granting of leases and licences through the Adelaide Park Lands Lease and Licence Policy and Operating Guidelines (2016) (Policy and Guidelines), which are consistent with the *Adelaide Park Lands Act (2005)* and *Local Government Act SA (1999)*.
2. Permitted uses of the Adelaide Park Lands are consistent with the Adelaide Park Lands Management Strategy (APLMS) and relevant Community Land Management Plans (CLMPs).
3. Leases are generally related to an exclusive contractual right to use land (for example, of a building), whereas licences are generally related to a contractual right to occupy that is non-exclusive (for example, a sports field). Community leases and licences include community organisations, sporting clubs and organisations, and educational institutions, which provide services to meet community needs.

## Policy Review History 2021-2024

4. On 25 November 2021, a review of the Policy and Guidelines, along with findings from benchmarking of local government leasing and licensing practises across Australia, was presented to the Kadaltilla / Adelaide Park Lands Authority (Kadaltilla). Kadaltilla agreed with the findings of the review and was particularly supportive of the recommendation to introduce an incentivised lease and licence fee model for community organisations to encourage broader community use, good governance, and social inclusion.
5. Following this feedback, a revised Draft Park Lands Lease and Licence Policy ('Draft Policy') was considered and supported by Kadaltilla on 28 April 2022. The revised Draft Policy was to supersede the 2016 Policy and Guidelines. It incorporated the following best practice approaches; the introduction of an incentivised community lease and licence fee structure, and improvements in the visibility of sub-leasing arrangements in the Park Lands. This had been highlighted as an area for improvement in a 2020 internal audit.
6. On 10 May 2022, Council supported a Draft Policy for community consultation, which occurred between 24 May and 14 June 2022.
7. On 14 June 2022, Council resolved:  
*"That Council: Asks the Administration to include in its current review of Park Lands Leasing and Licencing:*
  1. *The competition posed, in the wake of Covid, to existing CBD and North Adelaide hospitality venues from sporting clubs leasing Park Lands and advertising meeting/event rooms for hire, licenced dining and entertainment and*
  2. *Whether restrictions should or could be imposed on existing leased premises and future leased premises to protect privately owned hospitality businesses not on the Park Lands."*
8. A number of amendments were made to the Draft Policy following community consultation and in response to the Council Decision on 14 June 2022. In particular, increased detail was added on the consideration of proposed commercial activities within community lease and licence settings, including the impact on adjacent commercial operations.
9. The 2022 election caretaker period occurred from 6 September 2022 to 12 November 2022.
10. On 27 April 2023, the results of the community consultation were presented to Kadaltilla for consideration. Kadaltilla supported the revised Draft Policy, and Council noted this Advice at its meeting on 9 May 2023.
11. The revised Draft Policy and summary of the results of community consultation were presented to the City Community Services and Culture Committee on 3 October 2023. The Committee deferred the consideration of the Draft Policy to the City Community Services and Culture Committee on 7 November 2023. Further, the Committee asked Administration to consider the following feedback from the meeting of the City Community Services and Culture Committee held on 3 October 2023:
  - 11.1. Review of the discounts currently contained within the draft Park Lands Lease and Licence Policy, which includes sub-letting arrangements
  - 11.2. Remove delegation arrangements to Administration for leases and licences less than five years
  - 11.3. Liquor licence agreements
  - 11.4. Parking arrangements regarding permanent car spaces being granted per lease agreement
  - 11.5. Advertising and sponsorship arrangements
  - 11.6. Impact of sporting clubs making payments to their players

- 11.7. Unlocking the Park Lands and the impact this has on use for other members of the community
- 11.8. Footprint of buildings on the Park Lands
- 11.9. Commercial use of the Park Lands
- 11.10. What are the financial implications of the new Policy being adopted
- 11.11. Impact of a new lease or licence arrangement being entered into.
12. The Administration incorporated Council's feedback provided at the 3 October 2023 meeting into the Draft Policy. The revised Draft Policy and a summary of Council Member feedback and comparative wording between the 2016, 3 October 2023 and 2 April 2024 versions of the policy were presented to the City Community Services and Culture Committee on 2 April 2024.
13. On 2 April 2024, in considering this matter, the City Community Services and Culture Committee resolved:  
*"That the City Community Services and Culture Committee Recommends to Council  
That Council  
1. Defers consideration of this item to the next meeting of the City Finance and Governance Committee on the 16th of April 2024."*
14. Feedback to the Administration from Council Members at this meeting included:
  - 14.1. Concerns about individuals being eligible to hold a lease/licence for up to 12 months
  - 14.2. Concerns about lessees raising money through fund raising activities
  - 14.3. Apply more rigour to the subletting process
  - 14.4. Seeking clarity on the application of fees to educational institutions and community organisations
  - 14.5. seeking detail on total number of leases, with whom and for how much
  - 14.6. Increase the transparency of the Expression of Interest process and provide meaningful feedback to groups who are unsuccessful
  - 14.7. Apply the new policy to all lessees (ie do not wait until existing leases expire)
  - 14.8. Apply indexation to lease and licence fees
  - 14.9. Seeking an explanation of an independent market valuation.
15. In reviewing this feedback, the Administration is of the view that the best way forward for progression of this matter is to table a report that addresses the feedback outlined in paragraph 14 above and include a revised version of the Draft Policy to the City Community Services and Culture Committee on 4 June 2024.
16. Administration will provide detailed information in response to the feedback from Council Members received on 2 April 2024, to enable informed discussion on the Draft Policy prior to undertaking a second round of public consultation.

### **Next Steps**

17. Administration will present a revised Draft Policy to the City Community Services and Culture Committee on 4 June 2024, seeking approval to undertake public consultation.

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## **ATTACHMENTS**

Nil

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