

# Kadaltilla

Adelaide Park Lands Authority

## Draft Adelaide Park Lands Leasing and Licensing Policy

**Wednesday, 27 May 2026  
Board Meeting**

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Culture

Public

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## Purpose

The purpose of this report is to seek the support of Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) to undertake public consultation on an update to the Adelaide Park Lands Leasing and Licensing Policy (Draft Policy).

The Draft Policy outlines the City of Adelaide's approach to managing lease and licence agreements on Community Land under its care and control within the Adelaide Park Lands for the benefit of the community.

The current Policy was adopted in 2016. Since then, Council Administration has engaged with Kadaltilla Members and Council Members on multiple occasions, including public consultation on a draft in 2022. Subsequent workshops were held with Council Members, the most recent on 5 May 2026.

Much of the deliberation surrounding the Policy has focused on community buildings, leading to the development and adoption of a new, separate Adelaide Park Lands Community Buildings (Sport and Recreation) Policy in 2024.

The Draft Policy attached to this report is the culmination of feedback received to date, along with industry benchmarking and best practices.

The following four guiding principles set the framework for the Draft Policy:

- **Strategic Alignment:** Lease and licence arrangements will support Council's strategic objectives and deliver positive community outcomes.
- **Sustainability and Stewardship:** Leases and licences will support the long-term sustainability and responsible stewardship of Park Lands assets.
- **Inclusive and Equitable Access:** The Park Lands are a shared community asset and will remain welcoming and accessible to a diverse range of users.
- **Good Governance:** Leases and licences will be managed in a transparent, consistent and accountable manner.

It is recommended that public consultation on the Draft Policy be undertaken before Kadaltilla and Council Members resolve to adopt it.

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## Recommendation

THAT THE KADALTILLA / ADELAIDE PARK LANDS AUTHORITY ADVISES COUNCIL:

That the Kadaltilla / Adelaide Park Lands Authority:

1. Supports the Draft Adelaide Park Lands Leasing and Licensing Policy, as contained in Attachment A to Item 5.5 on the Agenda for the meeting of the Board of Kadaltilla / Adelaide Park Lands Authority held on 27 May 2026, for the purpose of public consultation.

## Implications

<p>Adelaide Park Lands Management Strategy - Towards 2036</p>	<p><a href="#">Adelaide Park Lands Management Strategy - Towards 2036</a></p> <p>The Strategy recognises that the Adelaide Park Lands Purposes align with the Statutory Principles outlined under section 4(1) of the <i>Adelaide Park Lands Act 2005</i>, including: ‘The Adelaide Park Lands should be held for the public benefit of the people of South Australia, and should be generally available to them for their use and enjoyment (recognising that certain uses of the Adelaide Park Lands may restrict or prevent access to particular parts of the Adelaide Park Lands)’.</p>
<p>2023-2028 Strategic Plan</p>	<p><a href="#">Kadaltilla / Adelaide Park Lands Authority 2023-2028 Strategic Plan</a></p> <p><a href="#">Strategic Plan Alignment – Expert Advice</a></p> <p>Objective 4.3: ‘Review leasing and licensing and event management policies together with other relevant Park Lands use policies’</p>
<p>City of Adelaide Strategies</p>	<p>The Draft Adelaide Park Lands Leasing and Licensing Policy (Draft Policy) supports multiple City of Adelaide strategies, including its Strategic Plan, Stretch Reconciliation Action Plan, and Integrated Climate Strategy.</p>
<p>Policy</p>	<p>If adopted, the Draft Policy will supersede the 2016 Adelaide Park Lands Leasing and Licensing Policy.</p>
<p>Consultation</p>	<p>Public consultation on the Draft Policy is proposed for a three-week period between June and July 2026.</p>
<p>Resource</p>	<p>Public consultation on the Draft Policy will be undertaken utilising existing resources.</p>
<p>Risk / Legal / Legislative</p>	<p>The Draft Policy aligns with relevant legislation and notes that the <i>Retail and Commercial Leases Act (SA) 1995</i> does not apply to the Adelaide Park Lands.</p>
<p>Design</p>	<p>Not as a result of this report</p>
<p>Opportunities</p>	<p>The Draft Policy identifies opportunities for external organisations to act as Park Lands stewards, contributing to environmental initiatives and fostering community connections in return for being granted rights to Park Lands assets.</p>
<p>City of Adelaide Budget Allocation</p>	<p>Not as a result of this report</p>
<p>Capital Infrastructure Projects</p>	<p>Not as a result of this report</p>
<p>Life of Project, Service, Initiative or (Expectancy of) Asset</p>	<p>Once adopted, the Policy will be reviewed every four years.</p>
<p>Ongoing Costs (eg maintenance cost)</p>	<p>Not as a result of this report</p>
<p>Other Funding Sources</p>	<p>The Draft Policy proposes a range of lease and licence fees and maintenance responsibilities in return for granting external organisations the right to occupy areas within the Adelaide Park Lands.</p>

# Discussion

## Context

1. The updated Draft Adelaide Park Lands Leasing and Licensing Policy (Draft Policy) (Attachment A) outlines the City of Adelaide's (CoA) approach to managing lease and licence agreements on Community Land under its care and control within the Adelaide Park Lands for the benefit of the community.
2. Council currently manages over 60 Park Lands agreements that are for a term of more than 12 months. These are held by:
  - 2.1. Community organisations (eg sport and recreation clubs and associations) – 25 agreements
  - 2.2. Educational institutions (eg schools and universities) – 17 agreements
  - 2.3. Commercial businesses (eg kiosks and restaurants) – 14 agreements
  - 2.4. Government agencies (eg SAPOL and Bureau of Meteorology) – 6 agreements
3. Most of these agreements are for five years, though some are granted for up to 42 years due to significant capital investment.
4. In 2024/25, Council received approximately \$988,000 through lease and licence fees. Nearly two-thirds (\$629,000) was paid by commercial businesses.

## Background

5. The current Policy was adopted in 2016 [here](#). Since then, Council Administration has engaged with the Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) and Council Members on multiple iterations of an updated Policy, leading to public consultation on a draft Policy in 2022.
6. Subsequent Policy workshops were held with Kadaltilla and Council Members. Much of the deliberation surrounding the Policy focused on community buildings and their declining condition and functionality. This led to the development and adoption of an Adelaide Park Lands Community Buildings (Sport and Recreation) Policy in 2024.
7. In August 2025 and October 2025, a set of draft policy guiding principles was workshopped with Kadaltilla and Council.
8. The most recent [Park Lands Leasing and Licensing Policy Workshop](#) was held with Council Members on 5 May 2026, focusing on lease and licence fees. Feedback from Council Members included:
  - 8.1. Differentiate between organisations that have the capacity to pay, with higher fees applied to well-resourced entities such as universities, non-government educational institutions and organisations with significant annual revenue.
  - 8.2. Ensure affordability for government schools.
  - 8.3. Support for incentivising community stewardship, particularly in relation to subletting and broader community use of leased and licensed assets.
  - 8.4. Enable identification of respondents' organisational affiliations or memberships during public consultation on the Draft Policy.

## Local and State Government – Best Practice

9. A 2020 review by the Office for Recreation, Sport and Racing and the Local Government Association (SA) provided a Guide for Leasing and Licensing Sport and Community Facilities with best practice advice provided, including:
  - 9.1. Expression of Interest (EOI) is the best method for selecting a new lessee for vacant facilities.
  - 9.2. Five years is a common lease or licence period, with longer leases linked to capital investment by the lessee.
  - 9.3. Incorporate renewal options to break up the terms of longer agreements.
  - 9.4. Provide training and support to lessees to enhance their competency and viability.
  - 9.5. Inspections/reviews should occur at least annually, with maintenance responsibilities clearly defined.
  - 9.6. Rental income can contribute to sinking funds and reinvestment into community facilities.
  - 9.7. Typical council services include facility maintenance, management support, club development support, grant assistance, and capital funding.

## **Benchmarking**

10. Council Administration undertook benchmarking of lease and licence fees across the local government sector. Key findings included:
  - 10.1. Market valuations are common practice in determining commercial fees.
  - 10.2. CoA is unique in applying a flat square metre rate for lease fees.
  - 10.3. Most councils base lease fees on asset values, and nearly all heavily discount these fees.
  - 10.4. While councils apply different approaches to setting licence fees, CoA's fees are generally comparable. However, taking into consideration that Park Lands lessees and licensees are responsible for all aspects of facility maintenance, CoA's fees are considerably higher in comparison.
  - 10.5. It is common practice for licence fees to be higher where access is controlled by the licensee.

## **Draft Policy**

11. The Draft Policy (Attachment A) incorporates many of these findings, while recognising the community value of the Adelaide Park Lands. This includes, where applicable, feedback received through public consultation on the proposed 2022 update to the 2016 Policy.
  - 11.1. The proposed update differs significantly making a 'tracked changes' version difficult to read for the purposes of public consultation.
12. The following four guiding principles set the framework for the Draft Policy:
  - 12.1. Strategic Alignment: Lease and licence arrangements will support Council's strategic objectives and deliver positive community outcomes.
  - 12.2. Sustainability and Stewardship: Leases and licences will support the long-term sustainability and responsible stewardship of Park Lands assets.
  - 12.3. Inclusive and Equitable Access: The Park Lands are a shared community asset and will remain welcoming and accessible to a diverse range of users.
  - 12.4. Good Governance: Leases and licences will be managed in a transparent, consistent and accountable manner.

## **Permitted Use**

13. Lessees and licensees will require approval before undertaking activities that are inconsistent with their permitted use. Non-commercial leased and licenced facilities may only be used for community development activities that are open and accessible to the public. Requests to host community events will be considered on a case-by-case basis.

## **Tenure**

14. Standard lease terms of five years are proposed, enabling agreement conditions and responsibilities to remain relevant.
15. Longer terms of ten to 21 years will be considered where a significant capital contribution is proposed by the lessee. Renewal rights will be incorporated into these agreements to enable periodic reviews of conditions and performance. This approach provides Council with an appropriate level of control to monitor outcomes, manage risks and ensure the desired community benefits are being realised.

## **Community Use**

16. Subletting and casual hiring remain important mechanisms for increasing utilisation of Park Lands assets. Council Administration will work with non-commercial lessees/licensees to ensure processes are in place to facilitate broader community use.
17. Non-commercial lessees and licensees will require approval via a decision of Council before entering into a subletting agreement with a commercial organisation.

## **Governance**

18. There will be an obligation on non-commercial lessees and licensees to submit annual reports detailing matters, such as subletting arrangements and casual hirers, along with their annual income and expenditure.

## **Park Lands Stewards**

19. Community Organisations and Educational Institutions will be incentivised through lease and licence fee rebates to partner with Council in delivering measurable community benefits, such as tree planting, clean-up

activities, opening facilities as safe refuges and implementing practices that promote diverse and affordable access and participation.

20. Rebates of up to 50% will be determined by Council (Administration) and applied retrospectively in the following year, based on the previous year's fees. To qualify for the maximum rebate, lessees and licensees must demonstrate delivery of multiple measurable community benefit actions.

### Selection of a Lessee/Licensee

21. An EOI will remain common practice for the selection of a new lessee. The Draft Policy describes circumstances in which Council may deal directly with a lessee without issuing an EOI. This will improve transparency and increase efficiency by delivering more timely outcomes and clearer decision-making processes.

### Responsibilities

22. Maintenance responsibilities will remain with lessees, with expectations clearly documented, while Council will take responsibility for key structural elements of buildings that are Council-owned.
23. Lessees will be required to minimise waste sent to landfill and enter into all-renewable electricity contracts.
24. Council will provide capacity-building and volunteer recognition opportunities and conduct an annual leasing and licensing forum to improve the capability and compliance of lessees and licensees.

### Fees

25. Commercial lease fees will continue to be based on market rent valuations, with periodic reviews. This approach is consistent across the local government sector.
26. It is proposed that Council categorise non-commercial lessees and licensees as per the table below, with revenue thresholds informed by the Australian Charities and Not-for-profits Commission:

Category A	Category B	Category C
Not-for-profit clubs, associations and community groups with a total annual revenue of less than \$500,000.	Not-for-profit clubs, associations and community groups with a total annual revenue of \$500,000 to \$3 million.  All government schools (primary and secondary) and government agencies.	Not-for-profit clubs, associations and community groups with a total annual revenue of more than \$3 million.  All universities, non-government schools (primary and secondary), and associated alumni organisations.

27. Fees will be based on building floor area (lease fees) and playing field/court area (licence fees) and reviewed annually as part of the adoption of Council's Fees and Charges schedule.
28. Subject to the timing of adopting the Draft Policy, 2026/27 lease and licence fees will be updated as per the table below (inclusive of GST):

Lessee/Licensee Category	Lease Fee – Rate per square metre	Licence Fee – Rate per hectare
Category A	\$11.40	\$842.50
Category B	\$17.10	\$1,685.00
Category C	\$22.80	\$2,527.50

29. Where a community building is redeveloped entirely at the lessee's cost, resulting in a new asset owned by the lessee, a ground lease will be granted. Lease fees will be applied at the prescribed rate per square metre.
30. Where Council contributes to the redevelopment of a community building, the lease fee will be determined through negotiation and will be no less than the prescribed rate for a building of equivalent floor area, taking into account:
  - 30.1. the value of the redeveloped community building (independently determined)
  - 30.2. the lessee's financial contribution to the redevelopment

30.3. the lessee's capacity to pay

31. The negotiated lease fee will be approved by Council Members.

**Next Steps**

32. Kadaltilla's advice on the Draft Policy will be provided to Council in June 2026.

33. Subject to Council approval, public consultation on the Draft Policy will be undertaken for three weeks commencing Friday, 12 June 2026 and concluding Thursday, 2 July 2026, to enable engagement with stakeholders and the broader community and to assess the level of community support for the Draft Policy.

34. Council Administration aim to present the public consultation findings to Kadaltilla in late July 2026 and to Council in August 2026.

35. In the interim, Park Lands occupancy agreements will continue to be informed by the current Policy.

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## Attachments

**Attachment A** – Draft Adelaide Park Lands Leasing and Licensing Policy

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