



Cultural & Recreational Lands Policy

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1 Document Information

RESPONSIBLE GENERAL MANAGER	Chief Finance Officer
RESPONSIBLE MANAGER (Policy Owner)	Manager Finance Team Leader Revenue & Collections
APPROVED/ADOPTED BY	Council
SIGNATURE	
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VERSION HISTORY	

2 Purpose

The purpose of the Cultural and Recreational Lands Policy is to provide an outline of Council's position on how Cultural and Recreational Landowners are rated under the Cultural and Recreational Lands Act 1963. This purpose of the Policy is to help determine:

- What each Cultural and Recreational landowner contributes to the community
- The discount each Cultural and Recreational Landowner is eligible for on their annual rates
- What costs need to be included and excluded when assessing the discount provided
- Ensuring that Cultural and Recreational landowners are paying the correct contribution in rates revenue
- Providing clarity to Cultural and Recreational Landowners on how a discount is calculated, and how rates are to be raised under a Cultural and Recreational lands agreement between the landowner and The City of Kingston.

3 Scope

The policy is designed to be utilised for the raising of rates revenue on Cultural and Recreational Lands annually. It provides direction to Cultural and Recreational landowners as to how Council will be calculating their rates contribution.

4 Definitions

Cultural and Recreational Lands – Recreational lands are defined within the Culture and Recreational Lands Act 1963, to be lands which are vested in or occupied by a body corporate or unincorporated which exists for the purpose of providing or promoting “outdoor” cultural, sporting, recreational or similar facilities.

General community benefit – Section 4.1 of the Cultural and Recreational Lands Act 1963 determined that *Notwithstanding the provisions of any Act or enactment relating to the making and levying of rates by a municipal council in lieu of the rates that would otherwise be payable to a municipal council in respect of recreational lands there shall be paid to the municipal council as rates in each year such amount as the municipal council thinks reasonable having regard to the services provided by the municipal council in relation to such lands and having regard to the benefit to the community derived from such recreational lands.*

In addition, Council defines that an organisation has a general community benefit when it provides an activity or service that has a positive, cultural, or recreational outcome for the community without any negative consequences of the activity. Negative consequences may be from the impact of the activity itself or from related associated activities. For example, gaming machines, liquor licensing. Another consideration may be whether the facility is open to the public to utilise most of the facilities without being a member of the organisation. This access may be granted for free or for a very small consideration for compliance purposes or to cover some direct operational costs.

Capacity to raise significant income – An organisation will be considered to have a capacity to raise significant income if it has some additional revenue raising capacity that is secondary to the cultural and recreational activity that it is engaged within. This may, for example, be from the provision of a commercial bar and kitchen, gambling activities or commercial facility hire that involves more than just renting out the space.

5 Eligibility

- 5.1 For any concession to apply under the Cultural and Recreational Lands Act, the organisation must be a cultural or recreational group and must provide a general benefit to the community.
- 5.2 All profits derived by the organisation must be applied in the promoting of its objectives and must not be used in any way for the payment of any dividend or disbursement to its members.
- 5.3 The Culture and Recreational Lands Act 1963 Section 2 (b) to (f), specifically lists some lands that are to be defined as recreational lands and this includes lands which are used primarily as agricultural showgrounds, and states that land must be used for outdoor activities.
- 5.4 To be considered under the Cultural and Recreational Lands Act 1963, the land must be held in the name of the organisation or leased from council or the crown. It cannot be leased from a third party.
- 5.5 Indoor cultural and recreational organisations are not eligible under the Cultural and Recreational Lands Act 1963 and are not eligible for a discount of rates under the Cultural and Recreational Lands Act.

6 Policy Details

Kingston City Council will engage eligible Cultural and Recreational landowners who may meet the criteria to be rated under the Cultural and Recreational Lands Act 1963 and enter into an agreement agreed to by both the City of Kingston and the Cultural and Recreational landowner.

This policy (and the agreement entered) will factor in the following policy requirements:

- 6.1 All cultural and recreational landowners/organisations will be required to provide Council with their most recent Financial Statements or Financial Report to support consideration of Cultural and Recreation Agreements.
- 6.2 Cultural and Recreational agreements will be revised every 4 years to ensure that the assessments and agreements are relevant and valid. Extension provisions can be introduced into an agreement, with the cap being for 12 months in total (original agreement plus additional 12 months).
- 6.3 All Cultural and Recreational landowners/organisations will not be exempt from paying the municipal charge and will be required to pay the flat rate municipal charge as set out in Council's annual budget. There is no discount provided for the Municipal charge under the Cultural and recreational Agreement between the Cultural and Recreational landowners and Council.
- 6.4 All cultural and recreational groups would continue to pay their Fire Services Property Levy set by the State Revenue Office. No discount for the Fire Property services Levy is applicable under the agreement.
- 6.5 Cultural and Recreational Lands discounts are not applicable on Waste service charges. Cultural and Recreational landowners or groups would continue to pay for waste charges as and when they are utilised.

- 6.6 Council will provide the Cultural and Recreational Landowner a method of calculation for discounts prior to entering into an agreement. The calculation methodology will apply to the entire term of the agreement (4 years plus any potential 12 month extension), and will be calculated annually, prior to each rating year commencing.
- 6.7 Each Cultural and Recreational agreement will include a rating methodology for the length of the agreed term.

7. Setting the Cultural and Recreational Charge

- 7.1 When setting the charge under the Cultural and Recreational agreement will have a starting point for rates with no discount is general rates would be based on the way Council currently rates, CIV x the general rate in the dollar for this rating period. Weighting will be based on Council's Grants Commission return of the previous rating year, and the budget percentage spend in each category.
- 7.2 When setting the charge under the Cultural and Recreational agreement Council will take into consideration which services the Cultural & Recreational landowners use or receive benefit from when it comes to their rates contributions to the community. Council understands not all Council services are used by Cultural and Recreational Lands properties and will factor this into the assessment for the discount of rates for each Cultural and Recreational property. Each Council Service is weighted, and the addition of these weighted areas will contribute to calculate the total discount to be provided to Cultural and Recreational Lands. The areas that will be assessed in working out the discount of rates from the standard rate are listed below. These areas are based on the Victorian Grants Commission return that Council is required to complete annually. These categories may change if they are changed by the VLGCC:

GOVERNANCE

- Council Operations
- Public Order & Safety
- Financial & Fiscal Affairs
- Natural Disaster Relief
- General Operations
- General Administration

FAMILY AND COMMUNITY SERVICES

- Families & Children
- Community Health
- Community Welfare Services
- Education
- Community Housing
- Family & Community Services Administration

AGED AND DISABLED SERVICES

- Residential Care Services
- Community Care Services
- Facilities
- Aged and Disabled Services Administration

RECREATION AND CULTURE

- Sports Grounds & Facilities
- Parks & Reserves
- Waterways, Lakes & Beaches
- Art Galleries
- Museums and Cultural Heritage
- Performing Arts Centres
- Libraries
- Public Centres & Halls
- Programs
- Recreation and Culture Administration

WASTE MANAGEMENT

- Residential - General Waste
- Residential - Recycled Waste
- Commercial Waste Disposal
- Waste Management Administration

TRAFFIC & STREET MANAGEMENT

- Footpaths
- Kerbs & Channels
- Traffic Control
- Parking Fines
- Parking Facilities
- Street Enhancements
- Street Lighting
- Street Cleaning
- Traffic and Street Management Administration

ENVIRONMENT

- Protection of Biodiversity & Habitat
- Fire Protection
- Drainage
- Agricultural Services
- Sewerage
- Waste Water Management
- Decontamination of Soil
- Environment Administration

BUSINESS & ECONOMIC SERVICES

- Community Development & Planning
- Building Control
- Tourism & Area Promotion
- Community Amenities
- Air Transport
- Markets & Saleyards
- Economic Affairs
- Business Undertakings (Property)
- Business & Economic Services Administration

LOCAL ROADS & BRIDGES

- Local Roads & Bridges works
- Local Roads & Bridges Administration

MAIN ROADS

- Main Roads & Bridges (State Roads)
- National Highway System (Federal Roads)

OTHER REVENUE

- Rates & Charges
- Financial Assistance Grants (VLGGC)
- General Purpose Grants
- Local Roads Funding

7.3 The setting of each charge under the Cultural and Recreational agreement will take into consideration the Cultural & Recreational benefit to the community. The discount of rates for each Cultural and Recreational property will be assessed based on community contributions to a range of areas. Each area is weighted, and the addition of these weighted areas will contribute to calculate the total discount to be provided to Cultural and Recreational Lands. These areas that will be assessed in working out the discount of rates from the standard rate are as follows:

- Social Interaction
- Culturally and Linguistically Diverse participation
- Access for all Abilities
- Environmental Programs
- Employment Opportunities / Volunteer Participation
- Sporting programs
- Coaching opportunities
- Cultural promotion
- Environmental benefits
- Provisions for financially disadvantaged families
- Concession entry fees
- Provision of premises to community groups

7.4 The setting of each charge under the Cultural and Recreational agreement will take into consideration any detrimental impacts the CRLA organisation has on the community. The discount of rates for each Cultural and Recreational property will be assessed based on community impact on a few key community detrimental impacts. Each area is weighted, and the addition of these weighted area will reduce the total discount to be provided to Cultural and Recreational Lands calculated across sections 7.1 and 7.3 of this policy. The detrimental impacts that will be assessed in working out the discount of rates from the standard rate are as follows:

- Does the club pay any profit or dividend to its members?
- Is the Cultural and Recreational land licensed to sell alcohol?
- Are there any gaming machines or gambling activities on the Cultural and Recreational Land?
- Are facilities available for use to non-members?
- Are there any restrictions to membership?

7.5 The setting of each charge under the Cultural and Recreational agreement will take be determined by completing an analysis of section 7.1-7.4 of this policy. The total discount will be calculated from the responses outlined in the above sections, and in some cases, evidence may be requested to show support. Any evidence found to be misleading or false under the assessment will void the cultural and recreational discount and the agreement. An agreement which has been voided will default to the general rate in the dollar at the time.

8. Cultural and Recreation Agreement

To receive the Cultural and Recreational discount, an active agreement must be struck between parties to be rated as Cultural and Recreational Lands under the Cultural and Reactional Lands Act. An agreement will be presented to a landowner/operator from council. The agreement will be in place for 4 years, however the annual rates will be determined based on the annual questionnaire, and the annual and financial reports of the CRLA property. The agreement will take place in the following phases:

Cultural and Recreational Questionnaire: Council will send out a questionnaire which will be required to be filled in and returned to help determine the community benefit of the Cultural and Recreational Lands property. This will cover the areas listed in section 7 of this agreement.

Pre-Agreement Consultation: Consultation with Landowner/Operator and Council will take place before a new agreement is put into place. Prior to an agreement being presented, Council will provide the rating methodology and rating discount to be applied to the rates prior to entering into the agreement. An acceptance of the methodology form will be signed prior to creating the agreement.

Cultural and Recreational Term of the Agreement: An agreement will be presented outlining the agreed rating methodology outlined during the consultation phase. The agreement will be for a minimum of 4 years (with the option to extend the agreement for another 1 year). The agreement will need to be signed and returned to Council prior to the following rating period. The extension can be agreed to at the time of the original agreement, or 12 months prior to the agreement expiring.

Confirmation Letter of Agreement: Council will send a confirmation letter once the agreement has been received. The terms will be referenced.

Ongoing Requirements: Council will also send out a rate notice each year with the agreed amount under the rating methodology in the agreement.

9. Cultural and Recreational Consultation and Appeals

Cultural and Recreational property landowners identified that are eligible for consideration under the Cultural and Recreational Lands Act may query the discount being applied and ask for Council to provide evidence to ensure the discount has been applied correctly for each rating period. This query would need to be made formally in writing to Council to investigate and respond to. The Cultural and Recreational Act also allows for aggrieved property owners to dispute the of the amount or rates charged and they may appeal to the Minister as per Section 4 part (2) of the Cultural and Recreational Lands Act.

10. Related Documents and Resources

Cultural & Recreational Agreement Deed Template
Cultural and Recreational Questionnaire Template
Confirmation Letter of Agreement Template
Rating Methodology Calculator

Legislation

- Local Government Act 2020
- Cultural and Recreational Lands Act 1963

11. Policy Review

This policy is to be reviewed every 4 years, or after an update to the Cultural and Recreational Lands Act 1963. Other documents considered for review every 4 years include:

- Cultural & Recreational Agreement Template
- Cultural and Recreational Questionnaire Template
- Confirmation Letter of Agreement Template
- Rating Methodology Calculator