

Council Property Strategy 2016

Preamble

The purpose of the Council Property Strategy is:

1. To provide strategic guidance for the retention, acquisition, disposal and development of Council owned property; and
2. To set out the processes and guidelines for retaining, acquiring and disposing of Council property.

This Strategy does not apply to any land where Council is not the owner of that land.

Strategy objectives

The objectives of this Strategy are to:

- Ensure that Council strategically manages its property portfolio for the long term best interests of the community.
- Provide guidance to determine whether or not to retain or acquire land.
- Provide guidance to determine when Council owned property should be disposed of.
- Ensure that open and transparent processes are utilised when acquiring, disposing and/or developing Council land.
- To ensure best practice and compliance with legislative requirements when undertaking the sale, exchange or acquisition of land.
- Ensure that best value is achieved in all land dealings.
- Ownership of the land must be financially beneficial to Council as compared to other types of tenure.

Strategy statement

1. Strategic Justification

Council will only own land where:

- that land will contribute directly to the current service delivery outcomes of Council; or
- that land is required to be owned by Council in the future as part of a plan or strategy adopted by the Council; or
- ownership of the land will provide for new planned infrastructure; or
- ownership of the land contributes economic, environmental or community benefits to the municipality that justify its purchase or retention; or

Examples of land that would generally be considered required for the current service delivery outcomes of Council can include, but are not limited to:

- active and passive recreation spaces;
- infrastructure requirements such as roads or drains;
- land that is utilised to deliver a direct council service to the community such as a Service Centre or Childcare service; and
- community spaces within town centres.

Examples of land that would not generally be considered appropriate for Council to own include, but are not limited to;

- developable residentially zoned land; or
- laneways and roads that are not used or intended to be used by the public.

2. *Land Assessments*

Land Assessment

To determine whether or not land meets the strategic justification for ownership under this Strategy, Council must conduct a land assessment to gain sufficient information on the manner and extent to which the land contributes to Council's strategic initiatives set out in section 1 above.

The land assessment exercise should consider, but is not limited to, such items as:

- The current use, status and condition of the land.
- Whether the land directly contributes to current service delivery outcome.
- Whether the land is required for future service delivery as set out in an adopted plan or strategy.
- What Council's planning scheme, strategic policies, strategies and plans govern the use of the land.
- Any environmental impacts or potential contamination on the land.
- Whether the land would facilitate positive economic and/or financial outcomes for the Council.
- The environmental and social (cultural or otherwise) status of the land.
- Any historical uses of the land.

Reporting to Council

The land assessment will be presented to Council for consideration. Council will determine whether or not to proceed with the acquisition, disposal or retention for all parcels of land subject to a land assessment.

3. *Sale of Council Land*

Where a land assessment has been undertaken and Council has determined that the land is not required for retention under this Strategy, then that land shall be set aside for sale.

The general principles for the sale of land as provided in the Local Government Best Practice Guidelines (as provided by the Victorian Government from time to time) should be followed. These guidelines are summarised as follows:

- Any sale of land must comply with the provision of the LGA.
- Any sale of land must be conducted through a public process (i.e. public advertising for sale or auction, public tender or by registration of expressions of interest) unless circumstances exist that justify an alternative method of sale, for example the sale or exchange of land by private treaty. Council is to explain to the community the circumstances which led to its decision to use an alternative method of sale in the interests of probity, public accountability and transparency.
- Sales of land should be in the best interest of the community and provide the best result, both financial and non-financial, for Council and the community.
- Generally, all sales of land should occur at not less than the market value assessed by a valuer engaged by Council. However, in the event that land is sold for less than the market value, an explanation must be provided as to the circumstances, reasons or factors which led to the decision to recommend accepting a sale price that is less than market value.
- Prior to being offered for sale the land should be appropriately zoned. This will ensure that the best and highest use of the land is determined by that zone and the highest possible sale price is achieved.

4. Proceeds from the sale of land

Not Public Open Space

Where the land is not within the definition of Public Open Space, the proceeds of sale will be retained in reserve for reinvestment into land purchases and/or development that meet the requirements in section 1 of this Strategy or any other purpose as adopted by Council.

Public Open Space

Where the Land is public open space, then Council must comply with section 20 of the Subdivision Act 1988 which requires Council to provide for reinvestment in public open space.

5. Purchase and Development of Land

Where a land assessment has been completed and it has been determined that land is required to be purchased by Council in accordance with section 1 and 2 of this Strategy, Council will consider the allocation of funds for purchase and/or development through its Long Term Financial Plan and annual budget process.

All purchases must comply with the provisions of the LGA, the best practice guidelines and where relevant, the Land Acquisition and Compensation Act, 1986 and Planning and Environment Act, 1989.

Generally, all purchases should occur at not more than the market value assessed by a valuer engaged by Council. However, in the event that land is purchased for more than the market value, an explanation must be provided into the circumstances, reasons or factors which led to the decision to recommend offering a purchase price that is more than market value.

6. General

Community Consultation

As a minimum, Council will meet all statutory requirements in relation to notification and community consultation.

Confidentiality

Commercial confidentiality will apply to all negotiations for the sale, disposal or acquisition of land.

Compliance

All personal information collected by Council in connection with this strategy will be managed in accordance with all applicable privacy legislation.

This strategy has been assessed as compliant with the Charter of Human Rights and Responsibilities Act 2006 (Vic).

Reference to other documents

Legislative provisions, Government Policy and Guidelines

Act	Section or Clause
Local Government Act, Vic, 1989	186A, 187A, 189, 189(2)(b), 190, 191, 192, 193, 223, clause 3, schedule 10
Land Acquisition and Compensation Act, 1986	All
Planning and Environment Act, 1987	All
Subdivision Act, 1988	Sections 20, 24 and 35
Property Law Act, 1958	All
Transfer of Land Act, 1958	All
Sale of Land Act, 1962	All
Land Act 1958	All
Road Management Act, 2004	All
Valuation of Land Act 1960	13DA(1A)

- Local Government Best Practice Guideline for the Sale and Exchange of Land
- Victorian Government Land Monitor Policy

Definitions

“**Council**” means Bass Coast Shire Council or its predecessors.

“**Interest**” in relation to land, means—

- 1) a legal or equitable estate or interest in the land; or
- 2) an easement, right, charge, power or privilege in, under, over, affecting or in connection with land;

“**LGA**” means the Local Government Act, 1989

