INNER WEST COUNCIL

LAND AND PROPERTY STRATEGY
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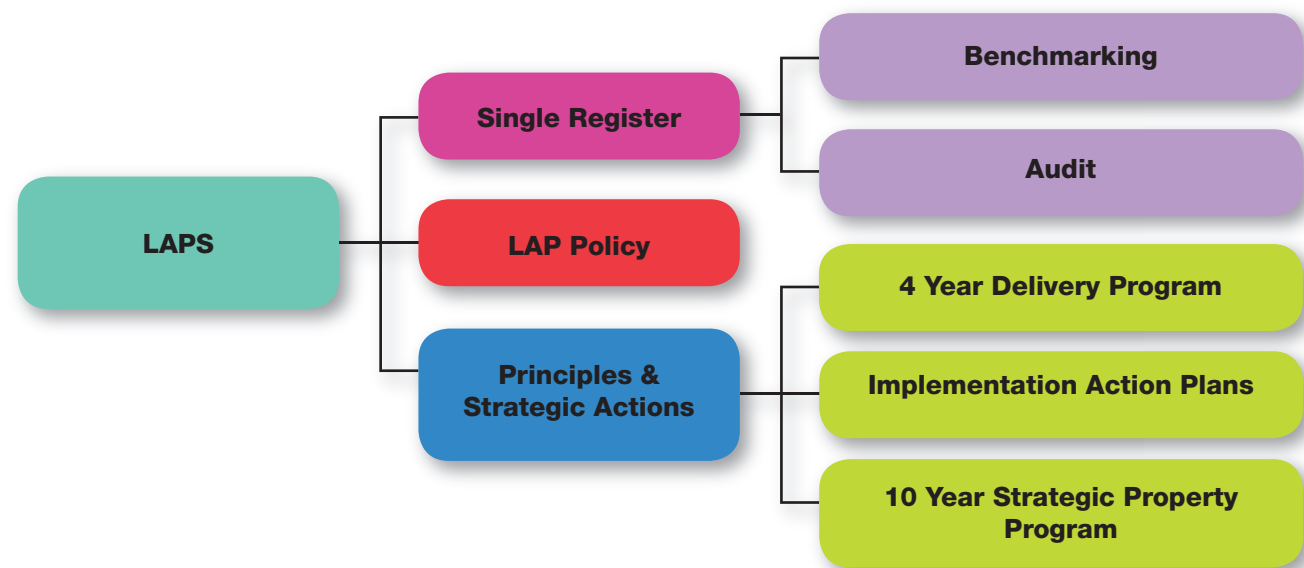
INNER WEST COUNCIL

CONTENTS

1.0 Executive Summary

The Inner West Council is the custodian of community assets including over 2 million square metres of land with a value of $723M and 298 buildings with the value of $316M. The land and property includes all Council owned, managed and controlled lands and property. This includes land and property that is occupied by Council staff for corporate services eg. administration buildings and depots, Council run community services such as childcare centres and aquatic centres and spaces that Council lease to others for both community and commercial use.

This strategy is developed to ensure the community's assets are being properly managed and protected for the long term best interests of the community. The strategy will provide a framework to ensure equity, consistency, accountability and transparency in Council's property asset decision-making. It will provide a sound basis to achieve a sustainable property portfolio, generating positive community outcomes by developing and enhancing community capacity. It will also serve to guide future investment and resource allocation decisions associated with Council-owned and operated property assets to meet the diverse and evolving needs of the local community. It will ensure Council is able to undertake property asset management activities in accordance with its statutory obligations and best practice principles.

The Land & Property Strategy will be implemented with a long term strategic focus. Informed decision making will ensure that short term decisions do not have an adverse impact on long term goals. The community is encouraged to provide valuable information through the engagement processes. Council will work closely with community groups to build capacity to deliver on the relevant strategic actions.
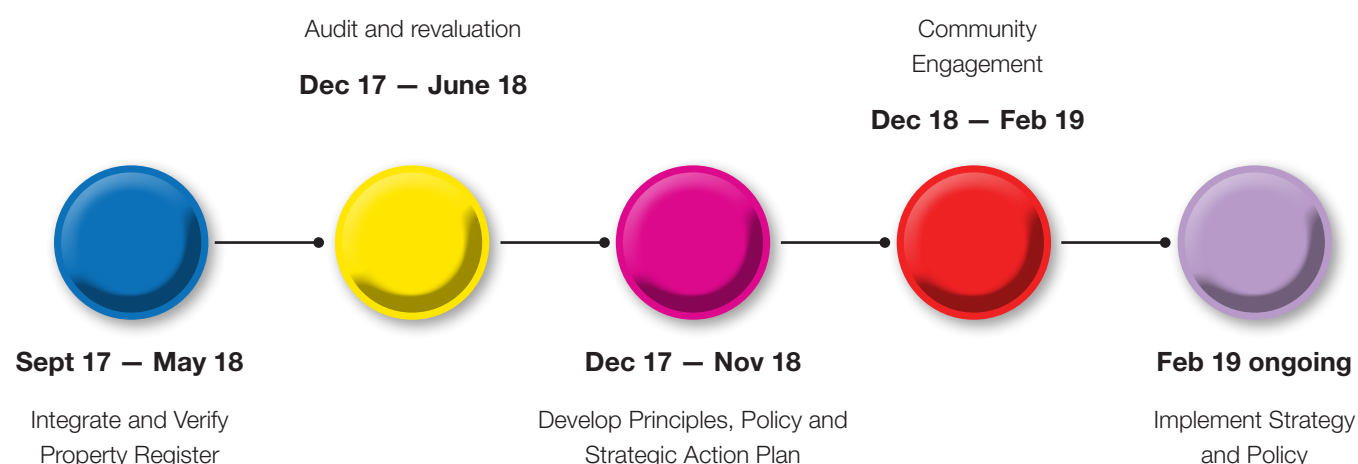
2.0 Background

The Inner West Council is the custodian of community assets including over 2 million square metres of land with a value of $723M and 298 buildings with the value of $316M. The land and property includes all Council owned, managed and controlled lands and property. This includes land and property that is occupied by Council staff for corporate services eg. administration buildings and depots, Council run community services such as childcare centres and aquatic centres and spaces that Council lease to others for both community and commercial use.

The scope of the project includes an audit of what Council owns, the condition and the current use. The Land and Property Strategy includes four principles with strategic actions, Land and property policy, strategic action plans, 4 year delivery program and 10 year strategic property program.

This project was identified as a corporate priority to understand what Council owns, the condition and the use. Identify Principles, Strategic Actions, Policy and implementation actions med/short/long term. The initial focus has been on integrating and verifying the Land and property register and undertaking a comprehensive audit and revaluation. The project commenced in September 2017 with the timeline below. Some of the strategic actions have commenced implementation in order to better understand the property that Council owns to enable an improved strategic direction for this Land & Property Strategy.

Audit and revaluation

Dec 17 — June 18

Community Engagement

Dec 18 — Feb 19

Sept 17 — May 18

Integrate and Verify Property Register

Dec 17 — Nov 18

Develop Principles, Policy and Strategic Action Plan

Feb 19 ongoing

Implement Strategy and Policy

3.0 The land and property strategy

Purpose

This Strategy will provide a strategic framework to manage land & property assets to deliver the following:

> Savings and increased revenue.

> Identify inconsistencies, deliver efficiencies and support data driven decision making.

> Improved governance and processes, ensuring compliance with Council's statutory obligations.

> Alignment with Council's long term financial plan.

> Identify the true cost of services to Council and ratepayers.

> A level playing field to enjoy community assets that ensure the maximum benefits.

Context

Integrated Planning & Reporting

This Land & Property Strategy forms part of the integrated planning and reporting framework providing strategic direction and implementing the Community Strategic Plan. The Community Strategic Plan guiding principle is to work together in a way that is creative, caring and just. The Land & Property Strategy supports all 5 Strategic directions :

1. An ecologically sustainable Inner West
2. Unique liveable, networked neighbourhoods
3. Creative communities and a strong economy
4. Caring, happy, health communities
5. Progressive local leadership

Results from the 2016 Community satisfaction survey included an expectation that Inner West Council will responsibly apply good governance by demonstrating professional and transparent decision making, good communication and engagement, strong financial management and transparent and efficient service delivery.
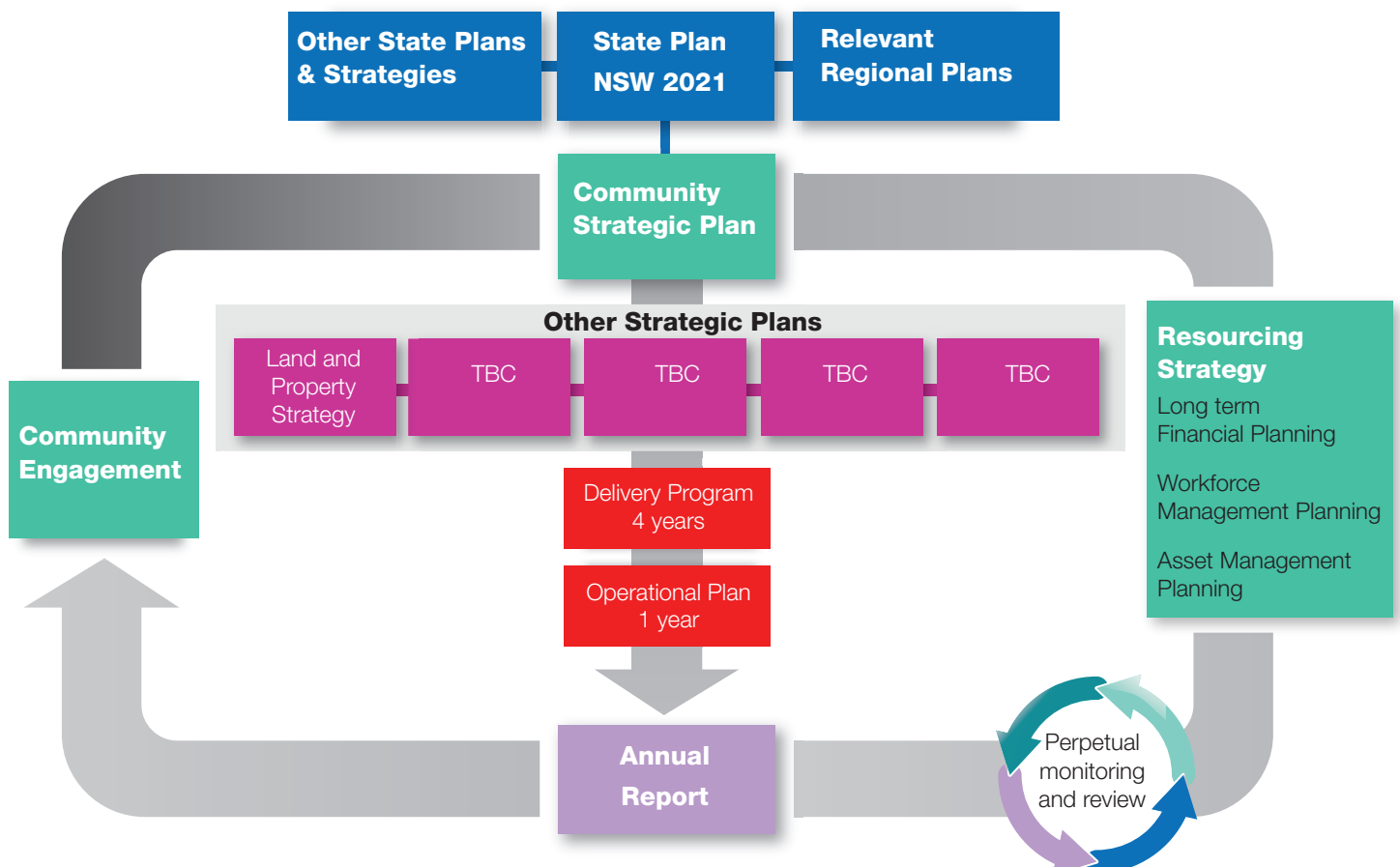
Building Asset Management Plan (BAMP)

Part of the Resourcing Strategy in the Integrated Planning & Reporting Framework

Purpose:

1. Demonstrate how the assets enable the implementation of the Community Strategic Plan.
2. Describe the condition of assets using easily understandable maps or tables.
3. Identify acceptable levels of services as discussed with the community.
4. Determine where we will intervene to improve assets.
5. Plan for the future demand.

Outputs:

BAMP including 4 year program and budget.

Land and Property Strategy (LAPS)

Provides a strategic approach to manage all properties and land to optimise the benefits to community and provide investment direction.

Purpose:

1. Study of all current Properties owned/occupied/utilised by IWC.
2. Identify gaps and opportunities for future service needs 2, 5 & 10 years out.
3. Identify investment opportunities.
4. Support the Buildings Asset Management Plan.

Outputs:

Policy, Strategy and Action Plan including 4 year program and budget.

Why do Strategic Asset Management?

> Strategic asset management can extend the lifecycle of an asset

> Every building reaches a point where it is no longer 'fit for purpose'

> We need to plan for a building's 'end of life'

Why do Strategic Property Management

> As buildings age the quality and condition of the building deteriorates

> Operating and maintenance expenses increase year on year

> Use is impacted functionality and capacity

> Prepare for repurpose well before property becomes vacant or unuseable

Poor Asset Management ($60m total): Let asset deteriorate, then replace.

Smart Asset Management ($40m total): Make timely Investments
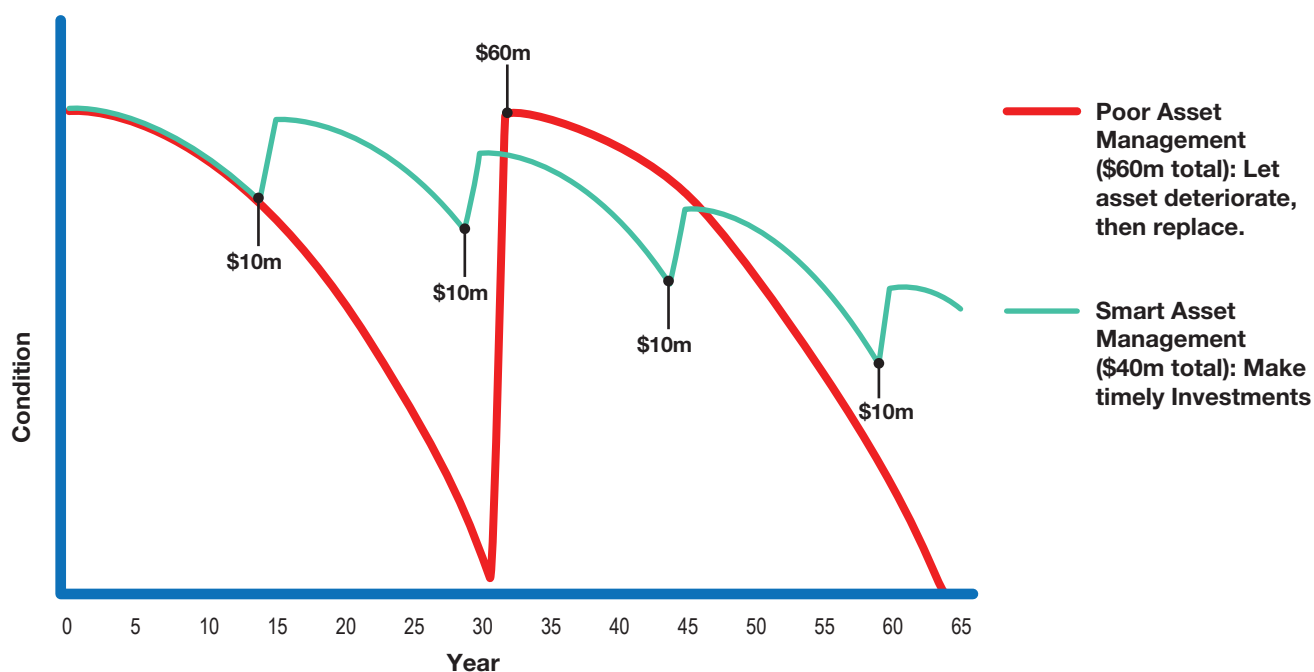
Framework
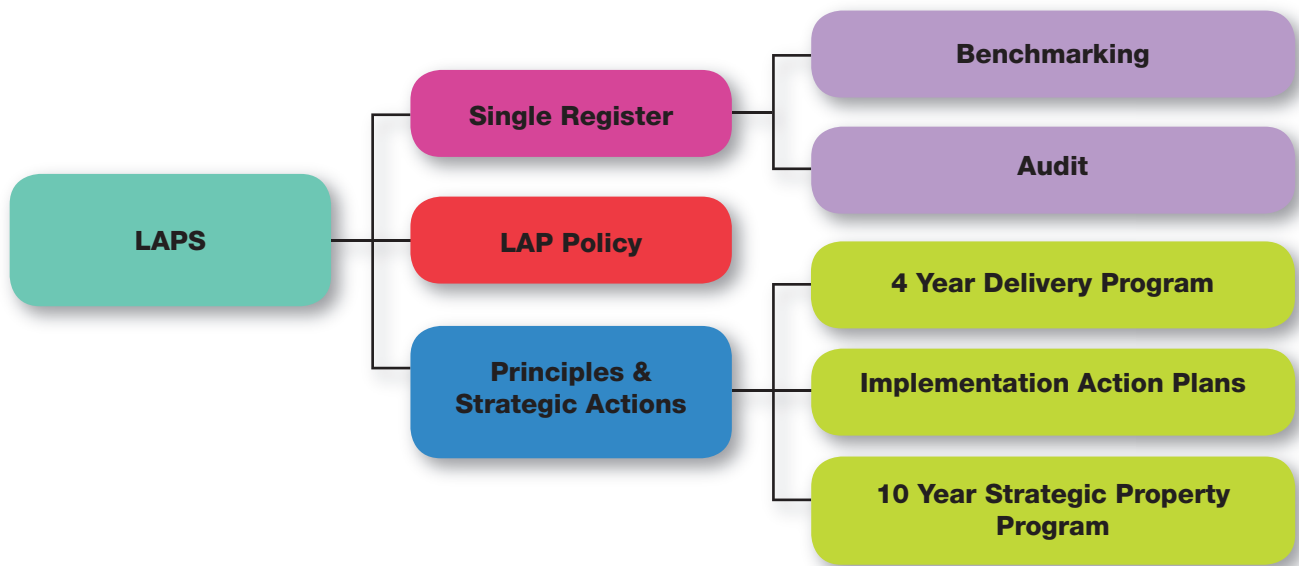
Policy

PURPOSE

Inner West Council owns community and operational land, including public roads in the Inner West Council Local Government Area and manages Crown Land as Trustee. Council has the responsibility to maintain its land and building asset portfolio in the best interests of the local community and stakeholders. Council's portfolio includes community and sporting facilities, parks, Crown Reserves and commercial property. The full Policy is included in Attachment 1.
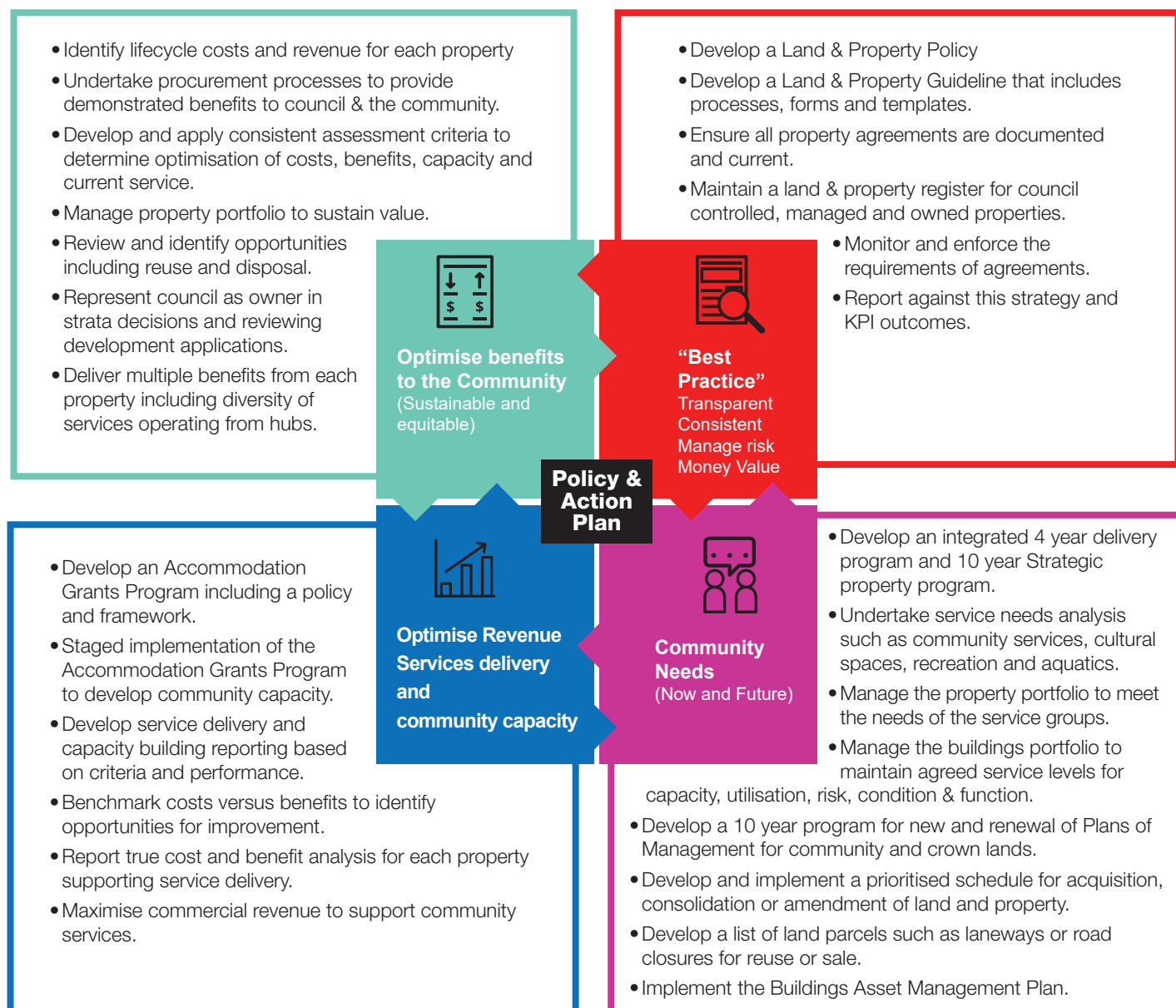
OBJECTIVE

This policy objective is to demonstrate a sustainable, equitable, transparent, risk management approach to property and land management. All Council owned and controlled Land & Property Management will:

> be consistent with Council's economic, social and environmental objectives,

> be undertaken in compliance with legislative and other obligations,

> occur only after consultation with all affected stakeholders and relevant sections of the community taking into account all relevant comments and representations,

> be undertaken with the intention of securing an optimum mix of financial and other benefits for the community,

> be through a fair and open process and include regular market testing, be in accordance with ICAC guidelines (Managing Risks in Direct Negotiations),

> be open to public scrutiny while maintaining appropriate levels of commercial confidentiality, and

> be conducted in accordance with Council's procedures covering Business Ethics and the Model Code of Conduct.

Principles and Strategic Actions

- Identify lifecycle costs and revenue for each property
- Undertake procurement processes to provide demonstrated benefits to council & the community.
- Develop and apply consistent assessment criteria to determine optimisation of costs, benefits, capacity and current service.
- Manage property portfolio to sustain value.
- Review and identify opportunities including reuse and disposal.
- Represent council as owner in strata decisions and reviewing development applications.
- Deliver multiple benefits from each property including diversity of services operating from hubs.

- Develop a Land & Property Policy
- Develop a Land & Property Guideline that includes processes, forms and templates.
- Ensure all property agreements are documented and current.
- Maintain a land & property register for council controlled, managed and owned properties.
- Monitor and enforce the requirements of agreements.
- Report against this strategy and KPI outcomes.

Optimise benefits to the Community (Sustainable and equitable)

"Best Practice" Transparent Consistent Manage risk Money Value

Policy & Action Plan

Optimise Revenue Services delivery and community capacity

Community Needs (Now and Future)

- Develop an Accommodation Grants Program including a policy and framework.
- Staged implementation of the Accommodation Grants Program to develop community capacity.
- Develop service delivery and capacity building reporting based on criteria and performance.
- Benchmark costs versus benefits to identify opportunities for improvement.
- Report true cost and benefit analysis for each property supporting service delivery.
- Maximise commercial revenue to support community services.

- Develop an integrated 4 year delivery program and 10 year Strategic property program.
- Undertake service needs analysis such as community services, cultural spaces, recreation and aquatics.
- Manage the property portfolio to meet the needs of the service groups.
- Manage the buildings portfolio to maintain agreed service levels for capacity, utilisation, risk, condition & function.
- Develop a 10 year program for new and renewal of Plans of Management for community and crown lands.
- Develop and implement a prioritised schedule for acquisition, consolidation or amendment of land and property.
- Develop a list of land parcels such as laneways or road closures for reuse or sale.
- Implement the Buildings Asset Management Plan.

The principles form the pillars of how land and property is managed to deliver the Community Strategic Plan. The strategic actions are staged with short, medium and long term goals that provide a strategic pathway in connection with the Integrated Planning and Reporting Framework.

Council and its property users:

1. Optimise benefits to the community, are sustainable and equitable;

2. Demonstrate industry 'Best Practice', be transparent, consistent, manage risk and demonstrate best value for money;

3. Meet the needs of our Community now and in the future;

4. Optimise Council revenue to support services delivery and community capacity;

Principle 1: Optimise benefits to the community, are sustainable and equitable

Council has responsibilities to deliver on a range of programs as described in the Community Strategic Plan. The Land & Property assets that Council own or manage support the service delivery now and in the future. The collection of data, process mapping, regular reviews, clear guidelines enable transparent, consistent and fair decision making.

Strategic Actions

1.1 Identify life cyle costs and revenue for each property

1.2 Undertake procurement processes to provide demonstrated benefits to Council & the community.

1.3 Develop and apply consistent assessment criteria to determine optimisation of costs, benefits, capacity and current service.

1.4 Manage property portfolio to sustain value.

1.5 Review and identify opportunities including reuse and disposal.

1.6 Responsibly represent Council as the owner including on strata boards and reviewing development applications.

1.7 Deliver multiple benefits from each property including diversity of services operating from hubs.

Leichhardt Town Hall at No. 107 Norton Street

Principle 2: Demonstrate industry "Best Practice": be transparent, consistent, manage risk and demonstrate best value for money

Council will operate in accordance with the legislative requirements and guidelines to ensure that it maintains its role as custodian and delivers superior services to the Community.

Strategic Actions

2.1 Develop a Land & Property Policy

2.2 Develop a Land & Property Guideline that includes processes, forms and templates.

2.3 Ensure all property agreements are documented and current.

2.4 Maintain a land & property register for Council controlled, managed and owned properties.

2.5 Monitor and enforce the requirements of agreements.

2.6 Report against this strategy and KPI outcomes.

The 1880s Fenwick Stone Building
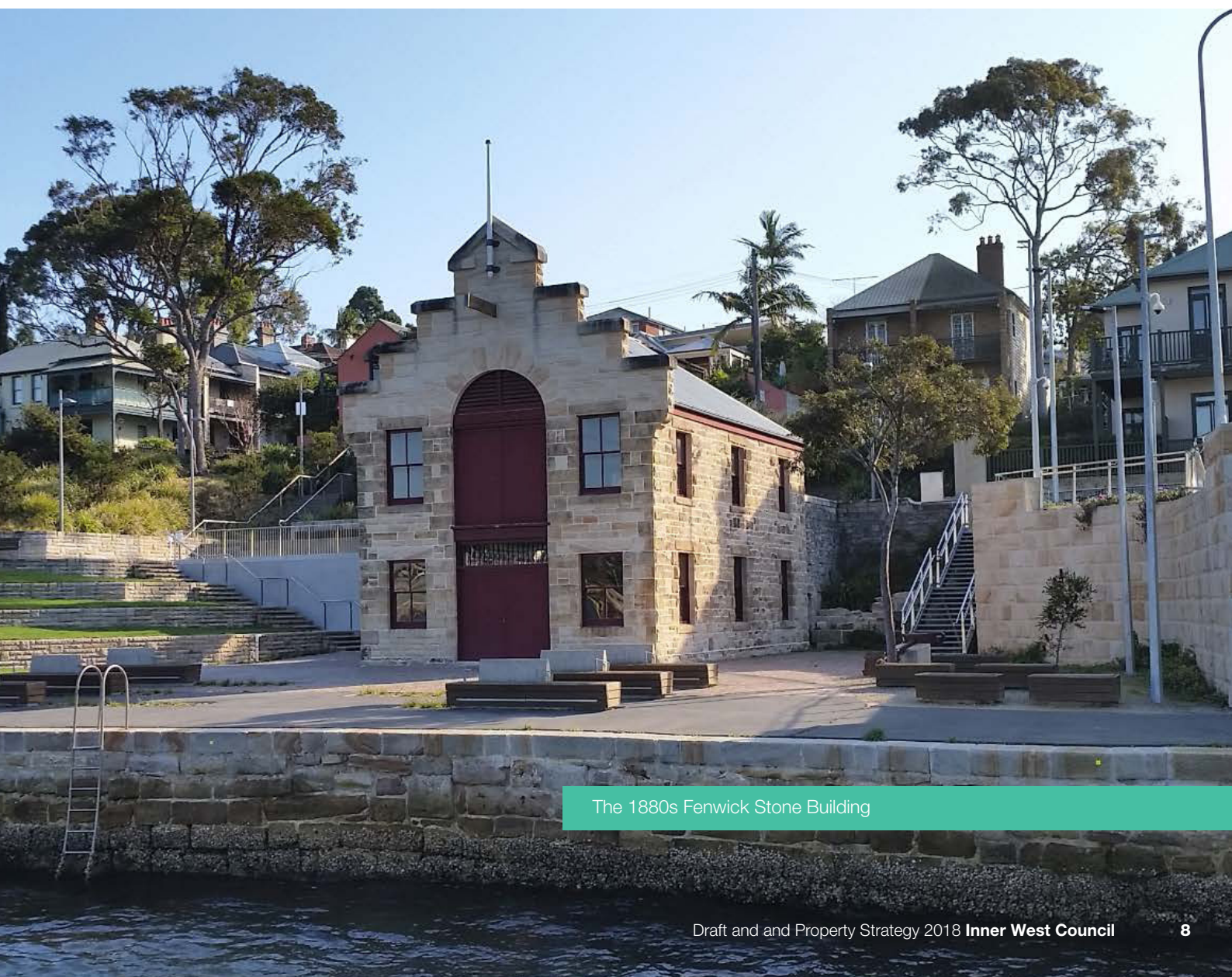
Principle 3 Meet the needs of our Community now and in the future

Council will undertake Strategic property management to ensure that opportunities are capitalised and properties are managed efficiently. Long Term Planning is essential for Council to meet the needs of the current and future community.

Strategic Actions

3.1 Develop an integrated 4 year delivery program and 10 year strategic property program.

3.2 Undertake service needs analysis such as community services, cultural spaces, recreation and aquatics.

3.3 Manage the property portfolio to meet the needs of the service groups.

3.4 Manage the buildings portfolio to maintain agreed service levels for capacity, utilisation, risk, condition & function.

3.5 Develop a 10 year program for new and renewal of plans of management for community and crown lands.

3.6 Develop and implement a prioritised schedule for acquisition, consolidation or amendment of land and property.

3.7 Develop a list of land parcels such as laneways or road closures for reuse or sale.

3.8 Implement the Buildings Asset Management Plan.

Leichhardt Childcare Centre

Principle 4 Optimise Council revenue to support services delivery and community capacity

Council will undertake professional financial management and provide value for money to the community. This will include commercial property management processes and an Accommodation Grants Program.

Strategic Actions

4.1 Develop an Accommodation Grants Program including a policy and framework.

4.2 Staged implementation of the Accommodation Grants Program to develop community capacity.

4.3 Develop service delivery and capacity building reporting based on criteria and performance.

4.4 Benchmark costs versus benefits to identify opportunities for improvement.

4.5 Report true cost and benefit analysis for each property supporting service delivery.

4.6 Maximise commercial revenue to support community services.

Annette Kellerman Aquatic Centre, Black Street, Marrickville

4.0 Summary of Properties, Risks, Issues, Needs

Corporate Service Delivery

Premises occupied by Council for the purpose of Council operations e.g. Depots and Administration Services.
Property may be Council owned or leased to Council.
Land is classified Operational.

Community Services

This includes Open Space & Recreationfacilities Premises occupied by Council for the purpose of running Services for the Community e.g. Libaries, Community Centres.
Property may be Council owned or leased to Council.
Land may be classified as Operational or Community.

Tenanted Space

Premises occupied by external parties that may deliver community services; and/or provide income to Council.
Property may be Council owned or leased to Council and sub-leased to external party.
Land may be classified as Operational or Community.

1. Corporate Service Delivery

3 Administration Buildings & 4 Depots

- 3 Administrative Buildings at Ashfield, Leichhardt, Petersham, 4 Depots at Summer Hill, St Peters, Balmain, Leichhardt, 4 localised storage facilities

Main Issues/Risks

* Aging buildings require ongoing and increasing operations, maintenance and capital renewal.

* Buildings are not compliant to current standards such as fire egress.

* Staff are located across more than 7 administrative and operational locations making it difficult to collaborate and inefficient to travel to meetings.

Strategic Needs

* A long term accommodation strategy will review options to decrease costs and improve efficiencies.

Administration Building Leichhardt

2. Community Services

Children & Family Services (C&FS)

22 Council Operated Child-Care Services

16 owned by Council and 6 sites leased from Dept. Education (4) & Crown (2).

Annandale Children's Centre, Balmain Occasional Care, John McMahon Child Care Centre, Deborah Little Early Learning Centre, Foster St Family Day Care Centre, Leichhardt Long Day Child Care Centre, Leichhardt Park Child Care Centre, Addison Road Early Learning Centre, Marrickville West OSHC, Enmore Children Centre, Yirran Gumal Early Care Centre, Globe Wilkins OSHC, May Murray Early Learning Centre, Ferncourt OSHC, Camdenville OSHC, Stanmore OSHC, Cavendish Street Early Learning Centre, Tillman Park Early Learning Centre

Main Issues/Risks

* Aging buildings require ongoing increasing operations, maintenance and capital renewal.

* Older centres have functional issues such as constraints with toilets and dining rooms.

* There is no long term security for leased centres.

Strategic Needs

* Commence new operations at Leichhardt Park Child Care Centre and Steel Park Child Care Centre 2019.

* Undertake feasibility analysis on alternate locations for Globe Wilkins to relocate due to lease ending 2020.

* Renewal of lease for Addison Road Early Learning Centre.

* A Child-Care needs analysis that is commencing in 2019 will define any risks and issues for service delivery into the future.

Leichhardt Child Care

Steel Park

Community Services & Culture

7 Council Owned Creative Spaces Short Term Leases

Pratten Park Thirning Villa, Australia Street Art Camp, Whites Creek Cottage, 228 Illawarra Rd Marrickville, 19 Railway Rd Sydenham, Tempe Reserve, Chrissie Cotter Gallery

Main Issues/Risks

* Aging buildings require ongoing increasing operations, maintenance and capital renewal.

* Low utilisation of buildings compared to the benchmark.

* Urban growth and development is removing the old industrial sites that were home for the creative industry.

Strategic Needs

* Feasibility to improve/increase the Council owned creative spaces.

Yirran Gumal Early Learning Centre

21 Council Operated Community Services Rooms & Buildings including 6 Town Halls and Venues for Hire

Annandale Community Centre, Ashfield Aquatic Centre Community Rooms, Ashfield Civic Centre Rooms, Ashfield Park Begonia House, Balmain Town Hall Meeting Rooms, Elkington Park Bandstand, Australia Street Hall,Seaview Street Hall, Haberfield Centre, Leichhardt MarketPlace Community Room, Leichhardt Town Hall, Petersham Public School, Yanada Community Room, Jimmy Little Community Centre, Marrickville Town Hall, Herb Greedy Hall, Petersham Town Hall, Hannaford Community Centre, St Peters Town Hall, Stanmore Public School, Tom Foster Community Centre

Main Issues/Risks

* Aging buildings require ongoing increasing operations, maintenance and capital renewal.

* Low utilisation, capacity and functionality of buildings compared to the benchmark.

Strategic Needs

* A Community Needs study will commence in 2019 to understand the facilities that are available within the LGA. This will define any issues/risks for service delivery in the future.

* Feasibility and scoping for a Gay Pride Centre.

* Opening the new Pavillion at Marrickville and Steel Pak Community Rooms in 2019.

Townhalls

-8 locations Ashfield, Annandale, Balmain, Leichhardt, Marrickville, Newtown, Petersham, St Peters.

Main Issues/Risks

* Aging heritage buildings require ongoing increasing operations, maintenance and capital renewal.

* Due to age and heritage requirements capital renewal works are costly and likely have latent conditions that require contingency allowance.

* Buildings are under utilised due to functionality and accessibility issues.

Strategic Needs

* A condition and compliance annual review to ensure that our feature heritage buildings are maintained.

* Feasibility to increase utilisation and potential benefits of income and community services.

* A venue for hire improvements plan to increase bookings and income.

* Reuse of the Marrickville Townhall once the library relocates.

Leichhardt Town Hall

Marrickville Town Hall - Main Hall

Environmental Services

2 Community Nurseries

Rozelle, Addison Rd (Leased)

6 Community Gardens leased to Community Groups

Taringa Street, Mort Bay Park, Denison Road, Francis Street, Haberfield Library garden, Marrickville Community Nursery

1 Community recycling centre

Catherine Street Leichhardt

47 Bushcare and natural area management sites

Main Issues/Risks

* Climate change impacts to land and property including sea level rise, extreme weather events, urban heat.
* Energy efficiency and water harvesting/tanks improvements.
* Loss of natural areas and not for profit reuse centres through development and large transport infrastructure projects.

Strategic Needs

* Climate and renewables strategy with targets for 100% carbon neutral and 100% renewables.
* Urban ecology strategy includes water, biodiversity, soils, coastal, climate change impacts.
* Zero waste strategy including new facilities for a reuse centre and recycling centre and space for bin storage/composting.

Library & History Service

8 Libraries

Ashfield Civic Centre, Balmain Town Hall Library, Emanuel Tsardoulias Library Centre, Haberfield Centre Library, Leichhardt Library, Marrickville Town Hall Library, St Peters Town Hall, Stanmore Branch Library

Main Issues/Risks

* Aging heritage buildings require ongoing increasing operations, maintenance and capital renewal.
* Due to age and heritage requirements capital renewal works are costly and likely have latent conditions that require contingency allowance.
* Buildings are under utilised due to functionality and accessibility issues.

Strategic Needs

* Relocation to the new Marrickville Library in 2019
* Major renovations to the Haberfield Library requiring closure of service in 2019/20.
* A library services strategic plan is being developed.

Enmore Park

Marrickville Town Hall

History services locations

Main Issues/Risks

* Localised storage of history services does not provide suitable atmospheric and satisfactory building conditions for the artefacts.
* Accessibility by distance to the buildings and across the LGA.
* Buildings are under utilized due to functionality and accessibility issues.

Strategic Needs

* Relocation of services due to major renovations at Dawn Fraser, Haberfield, Marrickville Townhall.
* A history services storage plan is being developed.

Trees, Parks & Sportsfields

22 Sporting Grounds

Algie Park, Arlington Recreation Reserve, Ashfield Park, Balmain Road Sporting Ground, Birchgrove Park, Blackmore Oval, Camdenville Park, Camperdown Park, Centenary Park, Cohen Park, Easton Park, Glover Street Sporting Ground, Hammond Park, Henson Park, HJ Mahoney Memorial, King George, Leichardt Oval 2 and oval 3, Mackey Park, Marrickville Park, Petersham, Pratten, Steel, Tempe Reserve

46 Parks Public Amenities Buildings

Algie Park, Arlington Reserve, Ashfield Park, Ballast Point Park, Balmain Sporting Ground, Birchgrove, Birrung, Blackmore, Camdenville, Camperdown, Centenary, Cohen, Darrel Jackson Gardens, Easton Park, Elkington Park, Gladstone Park, Hammond Park, Hawthorn Canal Reserve, Henson Park, HJ Mahoney Memorial, Jack Shanahan, Hohnson Park, Kendrick, King George, Leichhardt oval 2 and 3, Leichhardt Park, Mackey, Mallam, Marrickville, Mort Bay, Petersham Park, Pioneers Memorial, Pratten Park, Punch Park, Richard Murden, Simpson, Steel, Sydenham Green, Tempe Recreation Reserve, Thornton, Tillman, War Memorial, Wicks.
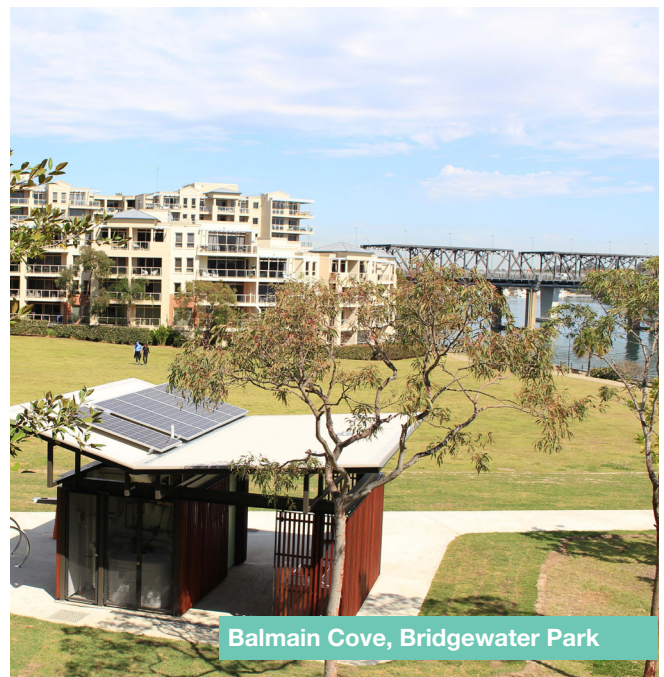
1 Golf Course Leased

Marrickville Golf Course

Pioneer Memorial Park Leichhardt Entrance

Pioneer Memorial Park Leichhardt Tree Entrance

Balmain Cove, Bridgewater Park

Main Issues/Risks

*Aging buildings require ongoing increasing operations, maintenance and capital renewal.

* All Community and Crown land requires a Plan of Management

* Vandalism and undesirable behavior in parks and toilets.

Strategic Needs

* Inner West Council Toilet Strategy reviewing accessibility and public safety.

* There is a backlog of Plans of Management to inform any new or upgrade works.

* Recreation Needs study is complete and the strategy is expected in 2019.

Aquatic Services

6 x Aquatic Centres

Ashfield Aquatic Centre (Closed for redevelopment), Annette Kellerman Aquatic Centre Facility, Fanny Durack Aquatic Centre, Leichardt Park Aquatic Centre 1x Heritage Ocean Baths Dawn Fraser Baths

Main Issues/Risks

* Aging buildings require ongoing increasing operations, maintenance and capital renewal.

* Facilities are highly utilized and require regular upgrades for compliance, accessibility and new needs.

Strategic Needs

* Opening of the new Ashfield Aquatic Centre 2020.

* Major Essential works to Dawn Fraser with the aim to keep it open to the public during the summer.

Steel Park

Dawn Frazer Pool, Balmain
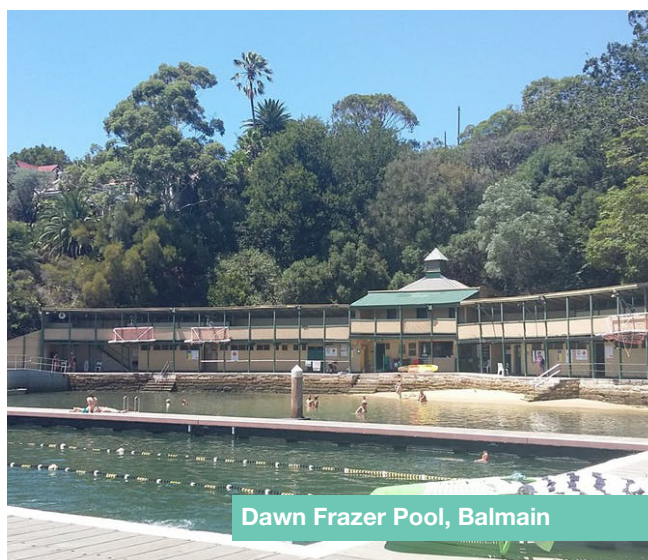
3. Tenanted Spaces

Property, Major Building Projects and Facilities

6 Cafés

Ashfield Civic Centre Café, Yeo Park Café, Fenwick Building, Bones Café Hawthorne Canal, Arlington Kiosk, Sydenham Green Shelter, Elliott Street Restaurant, Leichardt Park Aquatic Centre Café, Steel Park PCYC Café

11 Leased Out Child-Care Centres

Ashfield Early Learning Centre, Balmain Early Childhood Centre, Railway Street Kindergarten, Prospect Street Kindergarten, Leichhardt Town Hall, SDN Children's Services, Plumtree, Marrickville Crusader Kindergarten, KU Petersham, Henson Street Kindergarten, Summer Hill S.H.A.R.E building

Jimmy Little Community Centre

9 Leases to Community based Clubs

Pratten Park Bowling Club, Ashfield Park Bowling Club, Gladstone Park Bowling Club, Balmain Rowing Club, Lambert Oval, Mackey Park Canoe Club, Mackey Park Croquet Club, Mackey Park Clubhouse/Kiosks office, Mackay Park -Croquet Lawns

5 Investment leases

Telstra Towers at Marrickville, Petersham, St Peters, Tempe Lands Tyne Container storage, Tempe Golf Driving Range

17 Community Not for Profit & Government Funded Services

4 Wallace Street Balmain, Clontarf Cottage Community Centre, Dulwich Hill Language School, Headspace Ashfield Civic Centre, Innari Housing, Jarvie Park Youth Facility, Leichhardt Early Childhood Health Centre, Marrickville Legal Centre (Seaview St), Marrickville Legal Centre, Illawarra Rd, McNeilly Girl Guides Hall, Mervyn Fletcher Hall Community Centre / Ella Centre, Metro Assist Ashfield Civic Centre, Metro Migrant Resource Centre, St Peters Town Hall, Newtown Town Hall Neighbourhood Centre, Portuguese Ethnographic Museum, Summer Hill Community Centre

3 SES Services

SES Blackmore Park, SES Haberfield Centre Headquarters, SES Marrickville,

8 Leases to Tennis Clubs / Associations / Coaching

Cohen Park Tennis Courts Amenities & Storage, Pratten Park Tennis Clubhouse, Punch Park Tennis Courts, Birchgrove Park Tennis Courts, Marrickville Park Tennis Club House, Henson Park Tennis Court, Tennis Court Shelter One, Wicks Park Tennis Court

6 Affordable Housing Strata Management

Arlington Grove x 2, Luna Meriton apartments Lewisham x 4

6 x Residential

Balmain Town Hall, Elkington Park Cottage, Birchgrove Park Residence, Leichhardt Town Hall, Leichhardt Park Cottage, 290 -291 Illawarra Rd, Marrickville

Other

Bridgewater Park Pump House

2 x Stadiums

Lambert Park, Leichhardt Oval

4 Public Car Parks under Strata management

2A Brown Street Car Park, Brown St Car Park, Federation Plaza Car Park, Renwick Street Car Park

Robyn Webster Sports Centre, Tempe

Leichhardt Oval

2 x Recreation Centres

Debbie and Abbey Borgia Centre (DAB), Robyn Webster, PCYC Centre Steel Park,

Main Issues/Risks

* Aging buildings require ongoing increasing operations, maintenance and capital renewal.

* Low utilisation, capacity and functionality of some buildings compared to the benchmark.

* Tenants and community programs that have been in place for a long time.

* Increasing cost to rent in the area.

* Council long term financial sustainability.

Strategic Needs

* Develop and implement the Accommodation Grants Program to demonstrate community benefit and transparent processes

* Review all leases prior to any long term agreements.

42 Public Car Parks

Ashfield Aquatic Centre Car Park, Barclay Street Car Park, Beattie Street Car Park, Bedford Crescent Car Park, Brett Avenue Car Park, Calvert Street Car Park, Charles Street Car Park, Chester Street Car Park, Church Street Car Park, Crystal Street Car Park, Dalhousie Street Car Park, Darrell Jackson Gardens Car Park, Debbie and Abbey Car Park, Edgeware Road Car Park, Garners Avenue Car Park, Haberfield Centre Car Park, Hamilton Street Car Park, Hay Street Car Park, Horden Place Car Park, Lennox St Car Park, Loftus Street Car Park, Marrickville Town Hall Car Park, Queen Street Car Park, Sadlier Crescent Car Park, Seaview Street (North) Car Park, Seaview Street (South) Car Park, Temple Street Car Park, Union Street Car Park

9 Public Carparks Council is Lessee

Ashfield Civic Centre Car park, Orchard Crescent Car Park, Thames Street Car Park, Ewart Lane Car Park, Frampton Avenue/ Garners Lane Car Park, Frampton Avenue/Clarrie Gilmore Car Park, Victoria Road Car Park, Richardson Crescent Car Park, Tempe Station Regent St Car Park

2 Public Toilets in carparks

Summer Hill, Calvert St,

Main Issues/Risks

* Aging carparks require ongoing increasing operations, maintenance and capital renewal.

* Parking is scarce in the Inner West and all carparks have a high utilisation.

Strategic Needs

* Ongoing localised parking studies and strategies.

* Feasibility of increased revenue opportunities utilising and improving operational carparks.

Leichhardt Oval

Ashfield Aquatic Centre

Land & Property Register (The Register)

At the time of amalgamation there were 3 Land registers, 4 leasing registers, 3 asset registers. A review of these registers identified that there were in varying degrees of quality and the data. The land register is available on Councils website.

| Crown Land	
Crown Land Sites Includes all Crown Land Classified as Community and Operational. Total 782,044.32 sqm **Estimated Total Value** **$308, 047,257**	**Strategic needs & demands:** Increasing Population and decreasing open space means this land is becoming increasingly important to the Community: a) for health & recreation; b) for celebratory and family functions; c) to mitigate increasing temperatures through tree coverage; d) as urban forest and wildlife sanctuary; and e) as catchment for flooding. **Major issues and risks:** 1. Compulsory Acquisition removing established spaces. Yet to understand the land being 'handed back' and its level of amenity or usefulness to community. 2. Competing needs for space is being assessed by the Recreation Needs Study and Community Services and Culture Needs Study. Managing the need for Open Space versus the need for Public Buildings to be juggled carefully. 3. Loss of trees will lead to resing temperatures demonstrated in the Planning and Environment maps and data.
Community Land	
Community Land Sites incl. Crown Land - Total sqm: 1,672,919.56 sqm Community Land Sites excl. Crown Land - Total sqm: 717,643.73 **Total Value** **$282,681,010**	As per above for Crown Land
Operational Land	
Sites Classified as Operational incl. Crown Land Total sqm: 364,068.27 **Total Value** **$440,854,830**	**Strategic needs & demands:** Rising costs of Asset Management and a $26M backlog means an increasing risk of Rate Payers being charged more. Income derived from Operational Land can mitigate this risk. **Major issues and risks:** Council's highest income generating land is earmarked for Compulsory Acquisition for Sydney Gateway. Once this occurs Council there is the opportunity to diversify its income generating portfolio and recreate a recurring income to future proof our community and provide the ability to fund our community groups. An investment strategy being perceived as competing with our community group's need for accommodation and the funds not being allocated for recurring income leading to increased pressure on Rate Payers.

Risk Management

RISK	MITIGATION
Major emergency impacting Council property or buildings	Comply with BCA and regular monitoring, security monitored, insurance, management plans
Major incident causing injury or death of a person on Council property or buildings	Comply with BCA and regular monitoring, security monitored, insurance, management plans
Total loss / major damage to Council buildings or land	Diversify property portfolio, insurance, business continuity plan
Governance and corruption from staff	Code of conduct, management oversight, procurement policies, guidelines and processes, Land & Property Policy and Strategy.
Loss of income from major leases & licences	Monitoring of leases and licences, diversify property portfolio.
Failure to provide environmental protections	Monitoring and management procedures,
Climate change impacts	Study of impacts to all of Council facilities, monitor flooding and inundation.
Contamination & hazardous materials	Regular audits and inspections.

Benchmarking

Benchmarking is used to measure the performance of each property based on the following key criteria. The bench mark is available against each property on the Inner West Council website www.innerwest.nsw.gov.au/laps and the prioritisation of the implementation plan is based on the benchmarking.

1. Condition

Condition is measured on a 1 (very good) to 5 (very poor) rating utilising the National Asset Management Strategy and International Infrastructure Management Manual as the guideline. A major condition audit was undertaken this year to identify the condition of all Council properties. The benchmark for condition is nothing less than 3 Satisfactory ie no assets to be in condition 4 or 5. The condition benchmark will identify properties that require significant investment to bring up to condition and potential opportunities for partnerships with tenants on capital contributions, change of use or disposal.
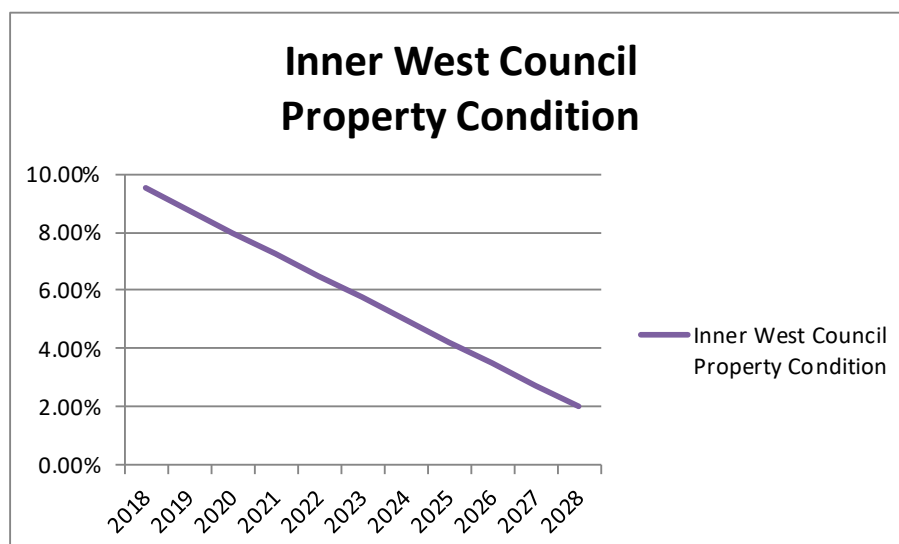
2. Utilisation

Utilisation is a measurement of hours of operation that is current versus what is available. The benchmark proposed is nothing below 80%. The data for this benchmark is being gathered where possible. Processes will need to be put in place to collect this date where it is currently not available.
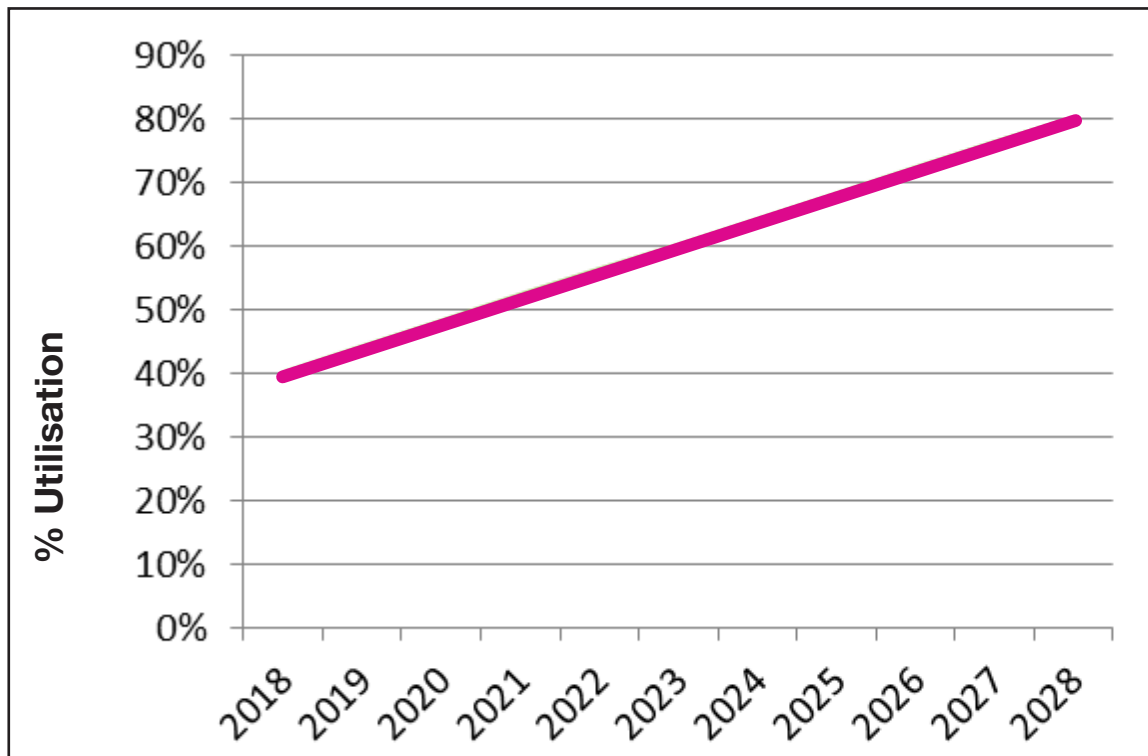
3. Capacity

This is the physical constraints of the property including accessibility, compliance, space efficiency. The measures are based on legislation, industry standards, LEP, DCP, BCA and Australian Standards. The benchmark proposed is nothing below 80%.
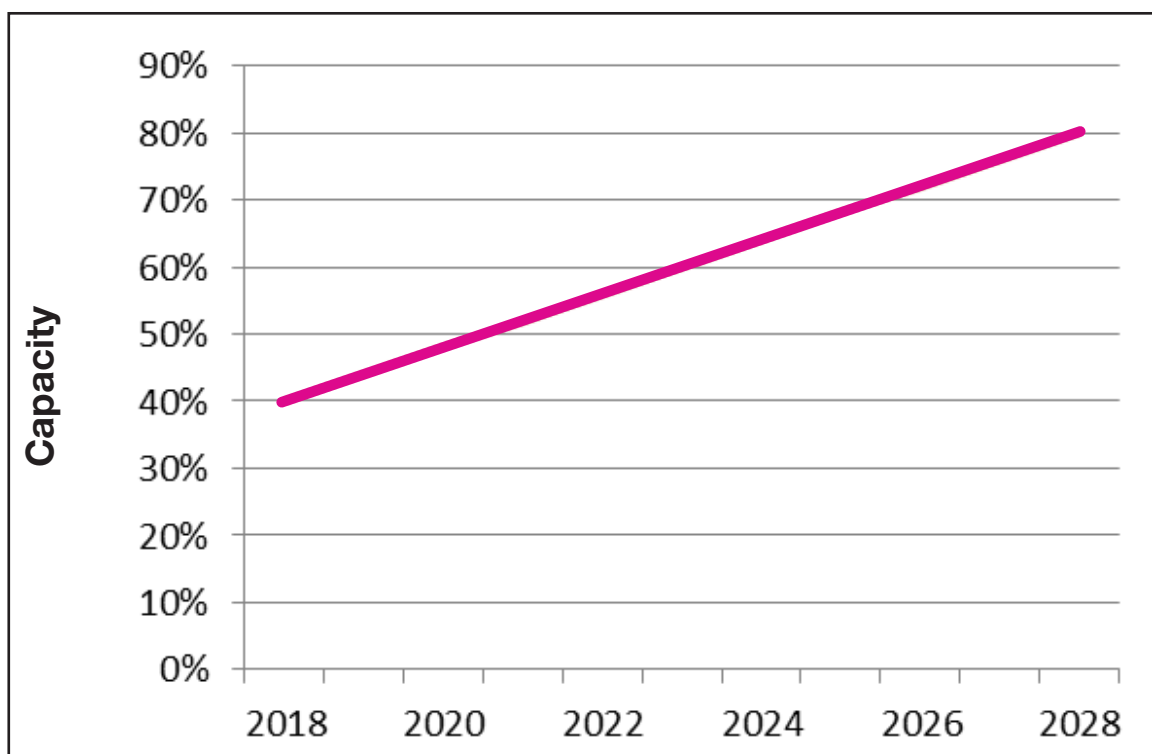
4. Cost Neutral

The term "cost neutral" refers to when the cost to Council to own and maintain property equals the Outgoings paid by External Occupants or the equivalent in Benefits to Community (Benefits).

Benefits can be measured by the value provided by the Occupant versus the cost to Council if it were to provide the same service.

Costs include Depreciation and Outgoings being made up of Building Insurance, Water Rates, Repairs and Maintenance.

Rent & Outgoings Collected from Tenants vs Market

30% Accomodation Grant $psmpa

Target: Reduce Accomodation Grant from 50% to 30%
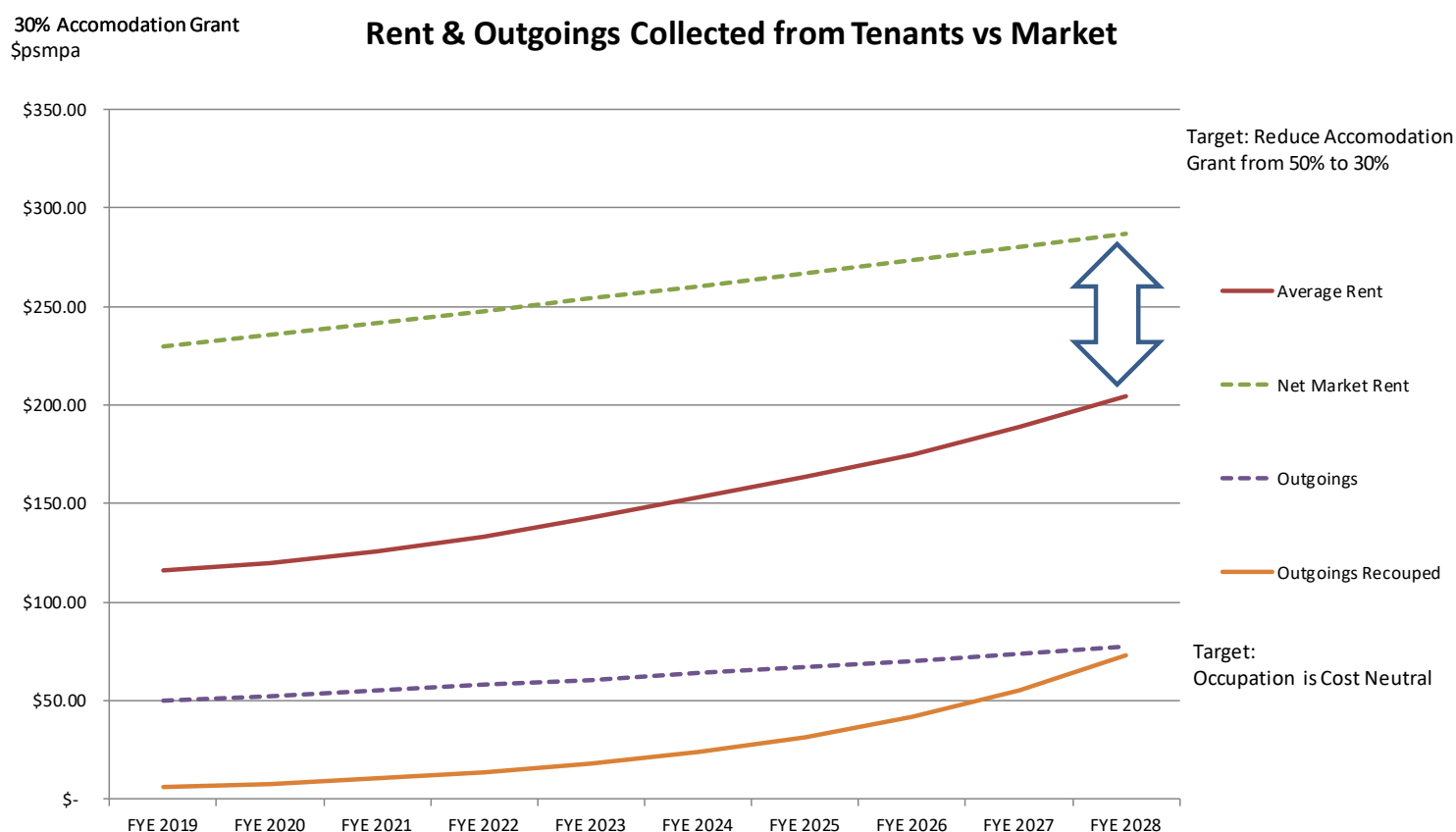
Target: Occupation is Cost Neutral

Legend: Average Rent, Net Market Rent, Outgoings, Outgoings Recouped

Assumptions & Rationale

- Average Rent is Total Rent Collected divided by Total Net Lettable Area of Premises Leased.
- Excludes Tyne, TGDR & Lambert Park Sinking Fund
- Assumption #1: Commencing "Net Market Rent" is $230psmpa and increased by 2.5% per annum This assumption is based on an average across the LGA
- Target # 1: By 2028 Rental Income collected is 80% of target market rate providing community contribution of 20% by way of Accommodation Rental Grants. This requires increasing the current rents by 58% or an average of 6% per annum
- Assumption #2: Outgoings commence at $50psmpa increasing by 5% per annum. Actual Outgoings collected averaged $6psmpa
- Target #2: By 2028 External Occpants of Council's properties pay 90-100% of the Building Outgoings including its share of Water, Utilities, Insurance and Maintenance excluding Structural Repairs. This requires an average increase of 32% per annum in outgoings collected. 60 Leases require renewing or RFT being carried out in the next 1-2 years This represents 75% of the Leased Property Portfolio

Auditing

A complete audit of all buildings was undertaken in 2018 including condition assessment, compliance review, valuation. A revaluation is required every 5 years. Ongoing auditing and reviewing of the buildings will be part of the implementation of this strategy.

5.0 Implementation of the LAPS

Summary

Land & property goes through a lifecycle from acquisition through to disposal. The economic benefit of land and property can be assessed based on the condition and service potential. The benchmarking identified earlier in this report will provide guidance as to when reviews, acquisitions, disposals or reuse projects are undertaken.

The implementation of the Land & Property Strategy will be undertaken as below

A. 4 year Strategic Action Plan

This is the planning of the strategic actions. The actions will require Implementation Action Plans that will be staged over the 10 year strategic Property Program.

Strategic Action	18/19	19/20	20/21	21/22
Principle 1: Optimise benefits to the community, are sustainable and equitable				
1.1 Identify lifecyle costs and revenue for each property	✓			
1.2 Undertake procurement processes to provide demonstrated benefits to Council & the community.	✓	✓	✓	✓
1.3 Develop and apply consistent assessment criteria to determine optimisation of costs, benefits, capacity and current service.	✓	✓	✓	✓
1.4 Manage property portfolio to sustain value.	✓	✓	✓	✓
1.5 Review and identify opportunities including reuse and disposal.	✓	✓	✓	✓
1.6 Responsibly represent Council as the owner including on strata boards and reviewing development applications.	✓	✓	✓	✓
1.7 Deliver multiple benefits from each property including diversity of services operating from hubs.	✓	✓	✓	✓
Principle 2: Demonstrate industry "Best Practice", be transparent, consistent, manage risk and demonstrate best value for money				
2.1 Develop a Land & Property Policy	✓			
2.2 Develop a Land & Property Guideline that includes processes, forms and templates	✓	✓		
2.3 Ensure all property agreements are documented and current.	✓	✓	✓	✓
2.4 Maintain a land & property register for Council controlled, managed and owned properties.	✓	✓	✓	✓
2.5 Monitor and enforce the requirements of agreements.	✓	✓	✓	✓
2.6 Report against this strategy and KPI outcomes.	✓	✓	✓	✓
Principle 3: Meet the needs of our Community now and in the future;				
3.1 Develop an integrated 4 year delivery program and 10 year Strategic property program.	✓	✓	✓	✓
3.2 Undertake service needs analysis such as community services, cultural spaces, recreation and aquatics.	✓	✓	✓	✓
3.3 Manage the property portfolio to meet the needs of the service groups.	✓	✓	✓	✓
3.4 Manage the buildings portfolio to maintain agreed service levels for capacity, utilisation, risk, condition & function.	✓	✓	✓	✓
3.5 Develop a 10 year program for new and renewal of Plans of Management for community and crown lands.	✓	✓		

3.6 Develop and implement a prioritised schedule for acquisition, consolidation or amendment of land and property.	✓	✓	✓	✓
3.7 Develop a list of land parcels such as laneways or road closures for reuse or sale.		✓	✓	
3.8 Implement the Buildings Asset Management Plan.	✓	✓	✓	✓
Principle 4 Optimise Council revenue to support services delivery and community capacity;				
4.1 Develop an Accommodation Grants Program including a policy and framework.	✓	✓		
4.2 Staged implementation of the Accommodation Grants Program to develop community capacity.		✓	✓	✓
4.3 Develop service delivery and capacity building reporting based on criteria and performance.		✓	✓	
4.4 Benchmark costs versus benefits to identify opportunities for improvement.	✓	✓	✓	✓
4.5 Report true cost and benefit analysis for each property supporting service delivery.	✓	✓	✓	✓
4.6 Maximise commercial revenue to support community services.	✓	✓	✓	✓

B. Implementation Action Plans

B1. Leasing Implementation Action Plan – insert link
B2 Initiatives Implementation Action Plan – insert link

These are prioritised 10 year plans.
Priorities are based on the following:

> Vacant properties, lease expired or expiring.
> Income can be increased or costs to Council can be decreased.
> Community benefit or adopted strategy.
> Condition.
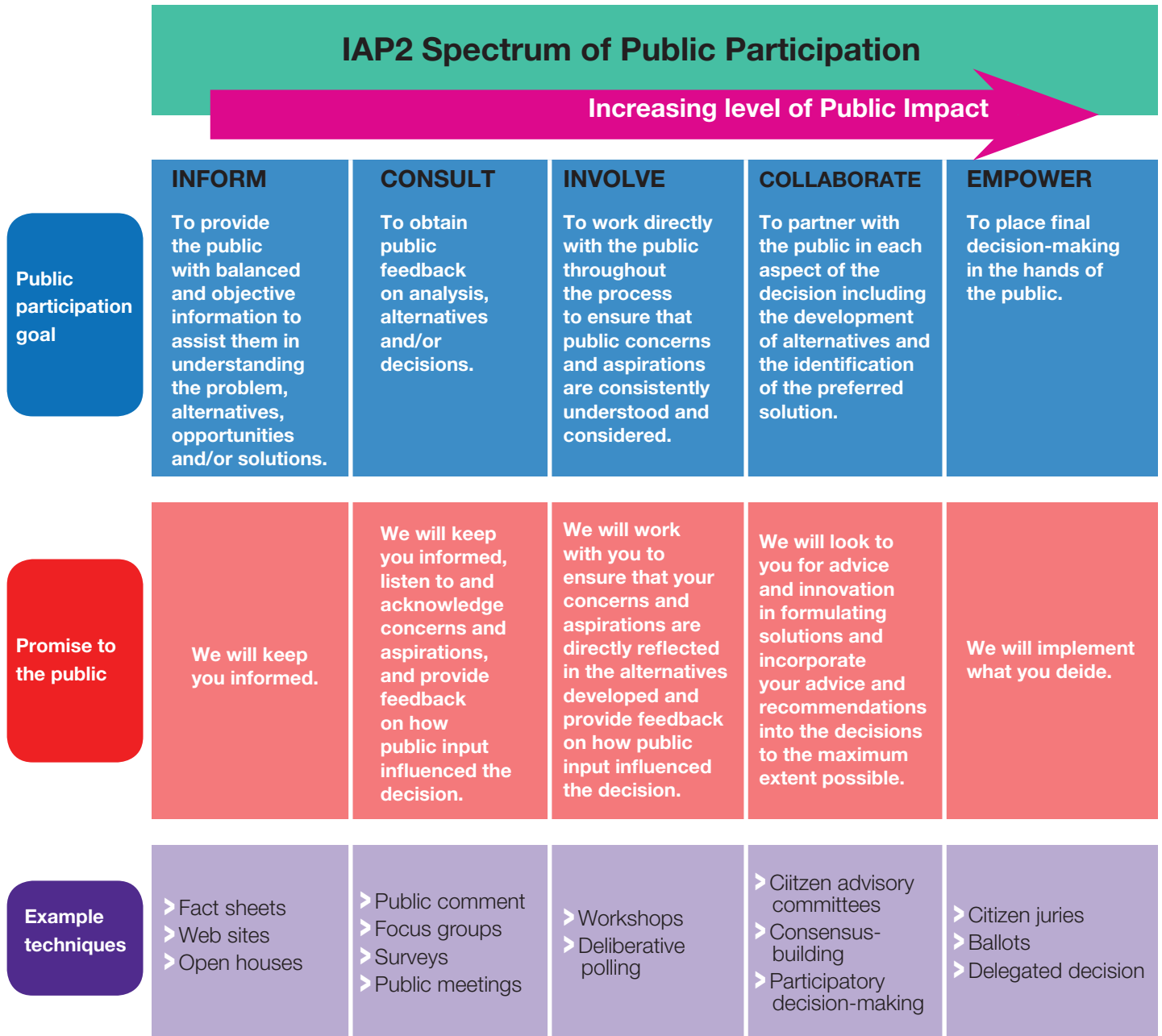> Utilisation
> Functionality
> Capacity

Priorities may change due to new opportunities or as changes arise.

These plans are staged due to the large amount of work and to provide opportunities for capacity building in community groups. A short term lease renewal may be required prior to a procurement process such as Expression of Interest and Request For Tender.

6.0 Community and Stakeholder Engagement

This Property & Land Strategy will be placed on public exhibition for a wider community and stakeholder consultation.

Projects and strategic actions will follow the IAP2 Spectrum.

IAP2 Spectrum of Public Participation

Increasing level of Public Impact →

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
Public participation goal	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision-making in the hands of the public.
Promise to the public	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you deide.
Example techniques	> Fact sheets > Web sites > Open houses	> Public comment > Focus groups > Surveys > Public meetings	> Workshops > Deliberative polling	> Ciitzen advisory committees > Consensus-building > Participatory decision-making	> Citizen juries > Ballots > Delegated decision

Glossary

Word / Phrase	Meaning
Revenue	
Inconsistencies	Standard property agreements to be used with same or similar terms agreed using a consistent approach.
Ecologically sustainable	Based on a long-term perspective, we conserve the ecosystem and reduce our impact on the natural environment and people's health to a level that the natural environment and humanity can handle.
lifecycle of an asset	A key process within asset management is the understanding of asset life cycle. There are four key stages of the asset lifecycle being Planning, Acquisition, Operation & Maintenance and finally disposal or retirement.
community and operational land	Under the Local Government Act (LGA) land under Council's control, other than roads and Crown Land (as defined being land under the Crown Lands Act) must be classified as either "operational land" or "community land." For more information refer to Table 1. Of the Land & Property Policy.
land and property management	The operation, control, and oversight of real estate and Capital Assets. Management indicates a need to be cared for, monitored and accountability given for its useful life and condition. Property management is also the management of of physical capital assets that are acquired and used to build, repair, and maintain end item deliverables. Property management involves the processes, systems, and manpower required to manage the life cycle of all acquired property as defined above including acquisition, control, accountability, responsibility, maintenance, utilization, and disposition.
ICAC guidelines (Managing Risks in Direct Negotiations)	The term "direct negotiations" refers to exclusive dealings between an agency and a counter party without first undergoing a competitive process. Direct negotiations are sometimes referred to as directly sourced, single-sourced, or non-competed contracts. The closed nature of direct negotiations can create opportunities for dishonest and partial conduct and is more likely to lead to allegations and perceptions of corrupt conduct. Having to compete for a government contract, in a fair and transparent manner, is a significant obstacle for corrupt individuals. Refer to ICAC Guidelines for Direct Negotiations
commercial confidentiality	A legal term or classification that identifies information that, if disclosed, may result in damage to a party's commercial interests, intellectual property or trade secrets. You must not disclose any information marked 'Commercial in Confidence' without permission from the party who supplied it.
sustainable and equitable	a) Sustainable meaning capable of being sustained e.g. of economic development, energy sources, etc.; or capable of being maintained at a steady level without exhausting natural resources or causing severe ecological damage; and b) Equitable meaning having or exhibiting equity : dealing fairly and equally with all concerned
Demonstrate industry "Best Practice"	A best practice is a method or technique that has been generally accepted as superior to any alternatives because it produces results that are superior to those achieved by other means or because it has become a standard way of doing things, e.g., a standard way of complying with legal or ethical requirements.
be transparent	Action, method, or procedure that lacks hidden agendas and conditions, and complies with the disclosure requirements of transparency ...
maintain agreed service levels	Relates to the agreed levels the building is to be maintained at in order for the Occupant to deliver its business services.
Plans of Management	Council must prepare Plans of Management (PoM) for all Crown Land and land that is classified as 'Community Land' within its ownership, care, control and/or management. The way the Land is to be used and managed is strictly governed by an adopted PoM, therefore a Plan of Management is the primary land management tool.