

CULTURAL AND RECREATIONAL LAND CHARGES POLICY

Policy No.	C104	Adoption Date:	Council Meeting 16 July 2025
Directorate:	Performance and Innovation	Department:	Financial Strategy
Revision Date:	July 2029		
GOOD GOVERNANCE FRAMEWORK – OVERARCHING PRINCIPLES			
Supporting Pillar:	Pillar 4. Structure, Systems & Policies		
Link to Pillar:	The Cultural and Recreational Land Charges Policy strengthens Council's governance framework by establishing parameters to apply a charge in lieu of rates to recreational lands.		

1. PURPOSE

To provide the framework for applying a discount of the rating charge for cultural and recreational lands. The *Cultural and Recreational Land Act 1963* (the *Act*) requires Council to undertake a separate process for the purpose of setting an applicable charge in lieu of rates for eligible properties.

The Cultural and Recreational Land Charges Policy ensures accountability, transparency and compliance within the *Act* and sets parameters for setting the in lieu of rates charge to recreational lands.

2. SCOPE

This policy only applies to *recreational lands* within the meaning of the *Act* (explained further in section 3).

Section 4(1) of the *Act* provides that Council can determine a charge on cultural and recreational land in lieu of rates. The charge must be reasonable, giving consideration to:

- 1) the services provided by Council in relation to such lands; and
- 2) the benefit to the community derived from such cultural and recreational lands.

3. LEGISLATION

The *Cultural and Recreational Land Act 1963* (the *Act*) defines Cultural and Recreational Land as any land that has the characteristics of 'recreational lands' as defined by section 2 of the *Act*. This includes:

- (a) *lands which are –*
 - (i) *vested in or occupied by any body corporate or unincorporate which exists for the purpose of providing or promoting cultural or sporting recreational or similar facilities or objectives and which applies its profits in promoting its objectives and prohibits the payment of any dividend or amount to its members; and*
 - (ii) *used for outdoor sporting recreational or cultural purposes or similar out-door activities; or*
- (b) *lands which are used primarily as agricultural showgrounds.*

The Act refers to rates at Section 4:

(1) Notwithstanding the provisions of any Act or enactment relating to the making and levying of rates that would otherwise be payable to the 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 lands.

The objective of cultural and recreational land is to encourage the out-door sporting, recreational and cultural pursuits.

4. POLICY PRINCIPLES

Council will consider a discount of the rating charge for recreational lands.

The proposed charge, plus any applicable discount, will be included in Council's Annual Budget document, and will be calculated on the basis that each property has been charged with the services provided to the land, having made suitable allowance for the community benefit each provides.

Element One: The amount of the Levy 'having regard to the services provided by the municipal council'

This refers to the services that Council provides to recreational land properties.

Council has determined that recreational land properties benefit from the full range of Council services, with the exception of those services that are levied separately—such as kerbside waste collection, which is charged via a separate service charge.

This means that when calculating the charge in lieu of rates for eligible recreational lands, the full scope of Council's general services is considered applicable. These services include, but are not limited to:

- Maintenance and development of local infrastructure (e.g., roads, footpaths, drainage)
- Community development and engagement programs
- Parks and open space management
- Environmental sustainability initiatives
- Strategic and statutory planning
- Emergency management and public safety
- Governance and advocacy
- Library and cultural services
- Economic development and tourism support

By attributing 100% of South Gippsland Shire Council's general expenditure (excluding separately levied services) to the calculation base of Capital Improved Value x General Rate in the Dollar, the policy ensures that recreational landowners contribute fairly to the cost of services from which they and the broader community benefit. This approach aligns with principles of equity and transparency, ensuring that all

landowners contribute proportionately to the cost of maintaining and delivering essential community services.

Element Two: The amount of 'benefit to the community derived from such lands'.

Community benefit provided by recreational land properties may include:

- Sporting programs
- Cultural promotion
- Social interaction
- Environmental benefits
- Community development
- Meeting places

The community benefit allowance for recreational lands is determined by Council on an annual basis during the budget process.

The recreational land charges are calculated by applying the above two elements on the basis that each recreational land property are charged for the services provided to the land, having made suitable allowance for the community benefit each provides and effectively levies a charge that provides a discount for these properties compared to the equivalent municipal rates they would otherwise pay.

5. SUBMISSIONS, INTERNAL REVIEW AND APPEALS

Property owners wishing to appeal Council's decision regarding the charge may make a written submission to Council as part of the annual budget process.

Under the CRLA, any body which is aggrieved by the amount determined by Council pursuant to subsection 4(1) of the Act may also appeal to the relevant Minister and seek a determination.

6. RISK ASSESSMENT

People

6.1. This policy aims to provide clear understanding of CRLA limitations and requirements.

Reputational

6.2. This policy supports the appropriate levy of rates and charge including 'in lieu of rates' pursuant to CRLA legislation.

Financial

6.3. Income from rates and charges is the prime source of revenue for Council and is vital to maintain Council's ability to deliver services.

Governance

6.4. Information regarding Council's Policy on Cultural and Recreational Land Charges should be readily available for the community to ensure openness and transparency of operations.

7. IMPLEMENTATION STATEMENT

Human Rights Charter

7.1. This Policy has considered the Charter of Human Rights and Responsibilities Act 2006.

Gender Equality

7.2. This Policy has considered the *Gender Equality Act 2020* in its development.

Roles and Responsibilities

7.3. It is the responsibility of the *Manager Financial Strategy* in consultation with the relevant managers and executive to maintain the Policy and establish internal guidelines for the management of debt collection practices covered by this Policy

8. MONITORING, EVALUATION AND REVIEW

8.1. This Policy will be reviewed and adopted by Council on a four-year cycle.

9. REFERENCE DOCUMENTS

Legislative Provisions	Local Government Act 1989 Local Government Act 2020 Cultural and Recreational Lands Act 1963 Valuation of Land Act 1960
Council Supporting Documents	Council Policy C53 Rates and Charges Hardship Policy Council Policy C15 Revenue and Debt Recovery Policy

10. DEFINITIONS

Recreational lands	Cultural and Recreational Land is any land that has the characteristics of 'recreational lands' as defined by section 2 of the <i>Act</i> . This includes: (a) lands which are— (i) vested in or occupied by any body corporate or unincorporate which exists for the purpose of providing or promoting cultural or sporting recreational or similar facilities or objectives and which applies its profits in promoting its objectives and prohibits the payment of any dividend or amount to its members; and (ii) used for out-door sporting recreational or cultural purposes or similar out-door activities; or (b) lands which are used primarily as agricultural showgrounds but does not in the case of lands referred to in subparagraph (i) of paragraph (a) of this interpretation include lands which are not held for an estate in fee simple by any such body unless such lands are held under a lease or licence from the Crown or from a municipal council.
Council	South Gippsland Shire Council
Act	The <i>Cultural and Recreational Lands Act 1963</i> .

11. REVISION HISTORY

Approved By	Approval Date	Sections Modified	CM9 Ref#
Council Meeting	16 July 2025	New Policy	<u>D4736525</u>