Kadaltilla
Adelaide Park Lands Authority

Park Lands Leasing and Licencing Policy

Thursday, 24 September 2026
Board Meeting
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Public

Purpose

The purpose of this report is to seek the endorsement of the Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) to update the Adelaide Park Lands Leasing and Licensing Policy (Policy), which incorporates feedback from stakeholders and the community.

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. On 9 June 2026, following consideration by Kadaltilla on 27 May 2026, Council approved a draft Policy for public consultation, open for three weeks from 12 June to 2 July 2026.

During the consultation period, a total of 32 submissions were received, of which 72% were from current Park Lands lessees or licensees. Overall, respondents sought greater clarity across several policy areas and requested stronger recognition of the responsibilities, historical investment, performance, and associated expenditure of existing lessees and licensees. A summary of the public consultation is provided in **Attachment A**.

The draft Policy (**Attachment B**) has been updated to incorporate feedback from public consultation and Administration's amendments, improving the Policy's clarity and accuracy and ensuring its provisions are expressed appropriately. A version of the draft Policy showing the proposed amendments through tracked changes is contained here.

The draft Policy is being presented to Kadaltilla for endorsement prior to being presented to Council for adoption.

Recommendation

THAT THE KADALTILLA / ADELAIDE PARK LANDS AUTHORITY ADVISES COUNCIL:

That the Kadaltilla / Adelaide Park Lands Authority:

1. Notes the draft Adelaide Park Lands Leasing and Licensing Policy public consultation summary report as contained in Attachment A to Item 5.3 on the Agenda for the meeting of the Board of Kadaltilla / Adelaide Park Lands Authority held on 24 September 2026.
2. Endorses the Adelaide Park Lands Leasing and Licensing Policy as contained in Attachment B to Item 5.3 on the Agenda for the meeting of the Board of Kadaltilla / Adelaide Park Lands Authority held on 24 September 2026.

Implications

Adelaide Park Lands Management Strategy – Towards 2036	Adelaide Park Lands Management Strategy - Towards 2036 The Strategy recognises that the Adelaide Park Lands Purposes align with the Statutory Principles outlined under section 4(1) of the *Adelaide Park Lands Act 2005*, 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)'.
2023-2028 Strategic Plan	Kadaltilla / Adelaide Park Lands Authority 2023-2028 Strategic Plan Strategic Plan Alignment – Expert Advice Objective 4.3: 'Review leasing and licensing and event management policies together with other relevant Park Lands use policies'
City of Adelaide Strategies	The Adelaide Park Lands Leasing and Licensing Policy (Policy) supports multiple City of Adelaide strategies, including its Strategic Plan, Stretch Reconciliation Action Plan, and Integrated Climate Strategy.
Policy	If adopted, the Policy will supersede the 2016 Adelaide Park Lands Leasing and Licensing Policy.
Consultation	Consultation was undertaken from 12 June to 2 July 2026. A summary of the public consultation is provided in **Attachment A**.
Resource	Not as a result of this report
Risk / Legal / Legislative	The Policy aligns with relevant legislation and notes that the *Retail and Commercial Leases Act 1995* (SA) does not apply to the Adelaide Park Lands.
Design	Not as a result of this report
Opportunities	The 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.
City of Adelaide Budget Allocation	Excluding the impact of fee indexation, lease and licence fees for non-commercial organisations are estimated to increase by $44,751 in 2027/28, subject to Council adopting the 2027/28 Fees and Charges Schedule based on the example fee categories.
Capital Infrastructure Projects	Not as a result of this report
Life of Project, Service, Initiative or (Expectancy of) Asset	Once adopted, the Policy will be reviewed every four years.
Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	The Policy proposes that lease and licence fees for non-commercial organisations will be set annually through Council's Fees and Charges Schedule, with different fee categories and fee levels, including higher fees for Category 2 organisations.

Discussion

Context

1. The updated Adelaide Park Lands Leasing and Licensing Policy (Policy) (**Attachment B**) 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 62 Park Lands agreements 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 and can be found here. Since then, Council Administration has engaged with Kadaltilla / Adelaide Park Lands Authority (Kadaltilla) and Council Members on multiple occasions, including public consultation on a draft in 2022.
6. On 9 June 2026, following support from Kadaltilla on 27 May 2026, Council approved a draft Policy for public consultation. The draft Policy was developed through workshops with Kadaltilla Members and Council Members, as well as through industry benchmarking and best practices.

Public consultation summary

7. Public consultation on the draft Policy was open for three weeks from 12 June to 2 July 2026. During the consultation period, a total of 32 submissions were received, comprising:
    7.1. 16 community sport organisations (two were from the same organisation)
    7.2. 8 educational institutions
    7.3. 6 individuals and 1 community organisation
    7.4. 1 commercial entity.
8. 72% of the submissions were from current Park Lands lessees or licensees. It is worth noting that community organisations are generally managed by volunteer committees, with committee membership and office bearers changing over time. Current committee members may therefore have varying levels of familiarity with the terms of their organisation's lease or licence agreement and with the distinction between the current Policy and the proposed changes. This is particularly relevant given that the current Policy has not been updated since its adoption in 2016, and may mean that some respondents considered the proposed changes in the context of their understanding of existing arrangements.
9. 77% of respondents agreed or strongly agreed that the responsibilities of Council and lessees and licensees were clearly outlined. Waste collection services provided to Park Lands lessees are currently capped at four bins per site, with no green organics or recycling collections offered. In response, some respondents requested access to green organics and recycling services, as well as consideration of waste collection levels that reflect the scale of each facility.
10. 52% of respondents agreed or strongly agreed with organisations with greater financial capacity paying higher lease or licence fees. Seven respondents were neutral, and six disagreed or strongly disagreed, noting that organisations with higher revenue may also have greater participation, operating, maintenance and utility costs, and that surplus income is often reinvested into facilities and community activities.
11. 44% of respondents agreed or strongly agreed with the proposed exemptions from the requirement for Council to undertake an Expression of Interest (EOI) process when selecting a new lessee or licensee. Eight respondents were neutral, while seven disagreed or strongly disagreed. Some respondents were concerned that requiring established organisations to participate in an EOI process could fail to recognise their past performance, long-term investment and reliance on the facility. Those who disagreed or strongly disagreed raised concerns that the proposed exemptions could reduce transparency or result in lease or licence agreements being awarded without an EOI process.

12. It is Administration’s view that these concerns reflect a misunderstanding of the intent of the proposed exemptions. In particular, some respondents appeared to understand the exemptions as permitting a third party to remove an existing lessee or licensee where that third party has been awarded a lease or licence through direct negotiations with Council.

13. This is not the intent of the proposed exemptions. Rather, the exemptions are intended to increase the efficiency of decision-making in appropriate circumstances, while recognising that Council is under no obligation to grant a lease or licence in those circumstances. A formal decision of Council is ultimately required to exempt an organisation from an EOI process, and any subsequent decision to grant a lease or licence remains subject to Council’s final determination. The only exception is where a lease is proposed to be granted for a maximum term of two years.

14. Respondents suggested a range of ways in which lessees and licensees could increase community use of their leased and licensed areas, including:

    14.1. Shared access

    14.2. Casual hire opportunities

    14.3. Delivery of community programs

    14.4. Improved promotion of available facilities and clearer booking information

    14.5. Partnerships with schools.

15. Respondents identified the following barriers to increasing community use of leased and licensed areas, including:

    15.1. Facility capacity and condition, including buildings and playing surfaces

    15.2. Operating and maintenance costs

    15.3. Volunteer and administrative capacity.

16. A public consultation summary report is provided in **Attachment A**.

How feedback has shaped the draft Policy

17. The table below outlines what we heard through the public consultation process and proposed changes to the draft Policy.

<table>
<tr><td colspan="2">Policy Topic/Theme
Park Lands Stewardship – the draft Policy proposed that non-commercial lessees and licensees may be eligible for lease and licence fee rebates by delivering measurable community benefits.</td></tr>
<tr><td>What We Heard</td><td>Proposed Response</td></tr>
<tr><td>Respondents prioritised the following actions regarding Park Lands stewardship:
• shared use
• community participation and wellbeing
• inclusive and affordable access
• continued public access
• environmental sustainability</td><td>The draft Policy has been amended to refer to fee reductions rather than rebates, consistent with the terminology used in section 188 of the Local Government Act 1999 (SA)

This feedback will be incorporated into the development of a Fee Reduction Guideline in accordance with draft Policy sections 2.1 and 3.1.2.4.</td></tr>
</table>

<table>
<tr><td colspan="2">Policy Topic/Theme
Lessee and licensee, and Council responsibilities – the draft Policy listed the proposed responsibilities of lessees, licensees and Council.</td></tr>
<tr><td>What We Heard</td><td>Proposed Response</td></tr>
<tr><td>Most respondents considered the responsibilities clear.

Some noted that the type of agreement, level of control, facility condition and organisational capacity were relevant to how the responsibilities may apply.

Respondents also sought that obligations be proportionate to non-exclusive licences and that there be clearer recognition of the financial and volunteer contributions made by community organisations.</td><td>The draft Policy has been amended to include that Council will:
assist with facilitating the use of leased and licensed areas by third parties (section 2.2), noting the barriers to increasing community use identified by respondents
consider a lessee’s or licensee’s resources and facility capacity when determining their ability to sublet and hire (3.3)
assist with the remediation of third-party damage where not covered by insurance (2.2), recognising that damage caused by graffiti, theft, vandalism and other unlawful acts by third parties is beyond the control of a lessee or licensee
continue to maintain externally accessible public toilets within or adjoining leased premises (2.2), consistent with the Adelaide Park Lands Community Buildings (Sport and Recreation) Policy</td></tr>
<tr><td colspan="2">Policy Topic/Theme
Selection of a Lessee/Licensee and Expression of Interest (EOI) Process – the draft Policy listed a range of circumstances where Council could enter into direct negotiations without undertaking an EOI.</td></tr>
<tr><td>What We Heard</td><td>Proposed Response</td></tr>
<tr><td>Respondents generally accepted that direct negotiation may be appropriate where an EOI would add limited value, particularly for an existing organisation with a strong record of compliance, community benefit and investment.

Respondents sought clearer criteria and safeguards to ensure transparency and a fair process where exemptions apply. Others noted that established organisations' past performance, long-term investment and reliance on the facility should also be considered.</td><td>See paragraphs 12 and 13 of this report.

The draft Policy has been amended to include:
that the assessment weighting and methodology will be provided to all EOI applicants (section 4.2)
a reference to existing lessees and licensees (4.2)
clarification that applying the proposed exemption to EOI circumstances does not constitute a decision to grant, or an undertaking to grant, a lease or licence, and any decision remains subject to a Council decision, with the exception of agreements proposed to be granted for a maximum term of two years (4.2)</td></tr>
</table>

<table>
<tr><td colspan="2">Policy Topic/Theme
Policy Clarity – the draft Policy included a range of terms and definitions.</td></tr>
<tr><td>What We Heard</td><td>Proposed Response</td></tr>
<tr><td>Respondents sought clarification across several policy areas, including permitted use, particularly whether fundraising, club functions, casual hire and other revenue-generating activities would be permitted.

Further guidance was requested on holding-over arrangements.</td><td>The draft Policy has been amended to include more detail on:
permitted use by non-commercial organisations (section 1.2 and glossary)
defining a government agency, significant capital contribution, and total annual revenue (glossary)
responsibility for debris created by lessees and licensees or others using the area with their permission (2.2)
the requirement for lessees and licensees to complete all make good responsibilities prior to the expiry of their lease or licence (2.2)
under what circumstances a ‘holding over’ provision would be utilised (4.3)</td></tr>
<tr><td colspan="2">Policy Topic/Theme
Lease and Licence Fees – the draft Policy included three non-commercial lease and licence fee categories:
Category A for organisations with annual revenue of up to $500,000
Category B for organisations with annual revenue between $500,000 and $3 million
Category C for organisations with annual revenue exceeding $3 million.</td></tr>
<tr><td>What We Heard</td><td>Proposed Response</td></tr>
<tr><td>Respondents considered a tiered approach to lease and licence fees to be fairer and important for ensuring that smaller community organisations are not priced out.

Some respondents noted that higher revenue does not necessarily indicate greater capacity to pay, as organisations with higher revenue may also have higher participation, operating, maintenance and utility costs, with income generally reinvested into facilities, programs and community activities.

Respondents also highlighted the significant governance responsibilities associated with being a Park Lands lessee. These combined factors create a challenging operating environment for community clubs, particularly those that rely heavily on volunteers and face increasing demands on their financial and volunteer capacity to sustain their operations and continue providing community benefits.</td><td>During the public consultation process, Administration identified that at least seven community sporting clubs and associations would fall within the middle category (B), resulting in higher lease and licence fees.

Administration considered that applying the proposed revenue thresholds would result in unintended financial impacts for a number of community sporting organisations.

The draft Policy has been amended by combining the original Categories A and B into a single category (now Category 1), covering not-for-profit clubs, associations and community groups with annual revenue up to $3 million. This change better reflects the operating environment of community sporting organisations in the Adelaide Park Lands.

The original Category C was retained and renamed Category 2.

The effect of this change is shown here.

Further details on lease and licence fees are provided in paragraphs 18 to 21 of this report.</td></tr>
</table>

Lease and Licence Fees

18. Commercial lease fees will continue to be based on market rent valuations, with periodic reviews. This approach is consistent across the local government sector.

19. Lease and licence fees for non-commercial organisations will be set annually through Council's Fees and Charges Schedule. Non-commercial organisations will be categorised as per the table below, with the annual revenue threshold for Category 2 informed by the Australian Charities and Not-for-profits Commission:

Category 1	Category 2
Not-for-profit clubs, associations and community groups with a total annual revenue up to $3 million. All government schools (primary and secondary).	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. Government agencies (excluding government schools)

20. The amended draft Policy provides a more targeted approach to the application of fees to community sports clubs and associations. Clubs and associations with annual revenue of up to $3 million would be placed in Category 1. The proposed increases would continue to apply to larger community sports clubs and associations with annual revenue over $3 million, as well as non-government educational institutions.

21. Noting that lease and licence fees will be adopted annually by Council, the table below provides an example of the existing fee categories, the proposed fee categories before and after consultation, and the potential fees that may apply under each category:

<table>
<tr><th>Organisation / Annual Revenue</th><th>Existing Fee Categories</th><th>Proposed - Before Consultation Fee Categories</th><th>Proposed - After Consultation Fee Categories</th></tr>
<tr><td>Community sports club or association — up to $500,000</td><td>Community
Lease: $11.40/m²
Licence: $842.50/ha</td><td>Category A
Lease: $11.40/m²
Licence: $842.50/ha</td><td rowspan="3">Category 1
Lease: $11.40/m²
Licence: $842.50/ha</td></tr>
<tr><td>Community sports club or association — $500,000 to $3 million</td><td>Community
Lease: $11.40/m²
Licence: $842.50/ha</td><td rowspan="2">Category B
Lease: $17.10/m²
Licence: $1,685/ha</td></tr>
<tr><td>Government educational institution</td><td>Education
Lease: $17.10/m²
Licence: $1,685/ha</td></tr>
<tr><td>Community sports club or association — over $3 million</td><td>Community
Lease: $11.40/m²
Licence: $842.50/ha</td><td rowspan="2">Category C
Lease: $22.80/m²
Licence: $2,527.50/ha</td><td rowspan="2">Category 2
Lease: $22.80/m²
Licence: $2,527.50/ha</td></tr>
<tr><td>Non-government educational institution / university</td><td>Education
Lease: $17.10/m²
Licence: $1,685/ha</td></tr>
</table>

Draft Policy

22. The draft Policy (**Attachment B**) presented in this report incorporates a series of amendments informed by public consultation. Administration has also made amendments to improve the Policy's clarity and accuracy and to ensure its provisions are expressed appropriately. A version of the draft Policy showing the proposed amendments in tracked changes is provided here.

Next Steps

23. The draft Policy will be presented to Council for adoption in October 2026. Subject to adoption, Administration will:

    23.1. Finalise and publish the Policy on the City of Adelaide website.

    23.2. Update the Adelaide Park Lands Leasing and Licensing Operating Guideline to reflect the updated Policy.

23.3. Inform lessees and licensees about the updated Policy, including hosting a Lease and Licence Holder Forum in late October 2026.

23.4. Update lease and licence fee categories for adoption in the 2027/28 Fees and Charges Schedule.

24. Some aspects of the Policy will take effect immediately, while other aspects will apply as existing lease and licence agreements expire and are considered for renewal.

Attachments

Attachment A – Draft Adelaide Park Lands Leasing and Licensing Policy Public Consultation Summary Report

Attachment B – Adelaide Park Lands Leasing and Licensing Policy

- END OF REPORT –