

# Process Review: Community Buildings Licensing Policy

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Community and Culture

## Community Buildings Licensing Policy Process Review

Community Buildings play a pivotal role in improving the quality of life for our community. The Council provision of community buildings to the not-for-profit sector have been identified as vital to the delivery of affordable services that meet the community's needs. To provide a framework for the consistent, equitable and transparent management of community buildings, the City of Ryde published its first Community Buildings Licensing Policy in July 2013, using an innovative approach and with the unanimous support of Councillors, Council Management and staff, current tenants and the community service sector. This paper captures the process undertaken by Council to assist others in tackling a similar project in the future.

### Background

In 2012, the Community and Culture Team within the City of Ryde was provided with the responsibility of managing Council's 30 community building tenancies, including customer service with tenants, any policy development, negotiating licencing agreements, providing transparent processes to provide access to tenancies, strategic planning for future social infrastructure provision, governance support for tenants and sector activation within community buildings.

In accepting this accountability, Community and Culture sought first to understand the current situation from tenants, different teams within Council, Council's Executive Team, and from Councillors. A review of management procedures and consultation found that Council did not have a policy framework, there was little transparency around licence arrangements, there was little information on the buildings and there were inconsistencies and inequities in how Council offered, charged for, and managed community buildings. Everyone involved with community buildings requested greater clarity, transparency and consistency in the management of the community buildings portfolio.

A Community Buildings Licensing Policy had been previously proposed to Council in 2009 and after strong lobbying by tenants was rejected by Council twice.

### Policy Approach

Following the review and consultation in mid-2012 Community and Culture established the *Community Building Improvement Program*, including the following projects:

- Tenant Enquiry Service System: establish one-point-of-contact for tenants with enquiries and improve customer service processes.
- Licensing Policy: create consistency and equity in how Council manages its' buildings and processes to ensure transparency when new or vacant buildings become available.
- Social and Cultural Infrastructure Plan: strategically plan for our future infrastructure provision.
- Eastwood Multipurpose Hub Study: prepare a detailed analysis to determine the most appropriate site in Eastwood to locate a multipurpose hub and the associated functionalities, financial considerations and management models.

By combining the development of a new customer service system with the licensing policy, Council demonstrated that it was responding holistically to the tenants needs.

### Policy Features

The key features of the Policy are that it:

1. Uses a cost-to-Council approach for setting licensing fees which recognises that Council seeks only to recover all or part of the costs of providing the tenancy (rather than profit or

- market subsidy). Costs were established by undertaking condition audits by independent auditors. This approach was easy for tenants to understand and preferred over a standard fee or a market subsidy;
2. Provides generous subsidies based on the tenants capacity-to-contribute and community benefit determined through the transparent Assessment Tool which uses a points system to determine the appropriate subsidy category;
  3. Clarifies and standardises tenant and Council operations, maintenance and renewal responsibilities. Five-year costed maintenance and renewal plans were provided to tenants so they could plan for the future costs of the building they occupied. The policy also allows for the provision of tailored solutions to small, volunteer run services;
  4. Provides transition plans for existing tenants who need them, allowing tenants the time to manage and plan for any increases in licensing fees; and
  5. Establishes plain-English licensing documentation to provide clarity and transparency to tenants, improving customer service while managing Council's reputational, legal and property risks. Council created three license documents with one document for:
    - o Small, volunteer based community organisations (Category 1 Tenants).
    - o Other not-for-profit organisations (Category 2-5 Tenants).
    - o Designated community centres with complex needs.

## Consultation – Methodology

Community and Culture's approach to consultation had the following features

1. Establish credibility and authenticity by first listening to stakeholders about their concerns, needs and aspirations.
2. Establish structured decision making for stakeholders, through developing a framework of projects, a baseline position for Council and framing consultation on areas that Council would compromise on.
3. Recognise the benefits provided by stakeholders up front and recognise that all tenants are different, requiring tailored solutions to meet their needs. Therefore, while all tenants fall under the new framework, some agreements have particular conditions that Council could compromise on.
4. Facilitate deliberation and discussion by stakeholders through provision of evidenced based briefing documents at all meetings/sessions.
5. Take stakeholders on a journey, by actively engaging them through the use of games, role-play, workshops and one-on-one meetings.

## Consultation – Internal

The Policy required the input from several teams, particularly the Buildings Team who are responsible for undertaking the operational, maintenance and renewal activities, the Property Team who are responsible for managing Council legal, property and probity risks, the Customer Service team, the Finance Team and the Community and Culture Team.

In response to the number of interested parties Community and Culture established the multi-disciplinary Project Team with managers from each team. The Community and Culture Team ran the project team through consensus decision making games, such as card-storming, brainstorming, presenting best practice to inform decision making and seeking the views of each team as subject matter experts. A Steering Committee was also formed with the Executive Team and other management to oversee the policy development and approve key stages.

Councillors were actively involved in the process as well. Two workshops were held, at the start to provide a briefing to approve the direction and another at the end of the process. Regular updates were provided to Councillors and briefings with speaking points provided when staff saw contentious issues arise with tenants.

## Consultation – External

A community engagement strategy was developed to ensure that existing tenants contributed to the development of the policy and understood any impact that it would have on them if approved by Council. The strategy sought to actively involve existing tenants in the policy development and provide all the information necessary for informed decision making. Every tenant was consulted through a workshop where they received a briefing paper, a question and answer information sheet, an information sheet about the new customer service system and a presentation about the framework. Using card-storming, role playing, brainstorming and other consensus decision making games, Council actively sought the participatory involvement of tenants.

Following the workshop, Council then held individual meetings with tenant service managers and their Management/Executive Committees. During these meetings, each tenant was assessed using the Assessment Tool so that they could understand any potential impact the policy would have on them. In the following four months from the workshop, 14 out of 14 tenants had agreed to policy principles and were willing to be re-licenced under the policy.

The Child and Family Service Interagency (20 services in attendance), West Ryde Community Centre Tenant Committee (all 7 services in attendance), and Brush Farm House Tenant Committee (all 3 services in attendance) had also been consulted and endorsed the policy.

## Financial Considerations

The policy also seeks to balance Council's long-term financial sustainability for community buildings with the need to provide subsidies to not-for-profit organisations to deliver needed community services. This policy sees licensing fees increase by \$60,787 in 2013/14 to \$123,766, borne primarily by large, state-wide NGOs. At the end of the transition period fees will have increased to \$148,903 per year, plus indexation.

## Conclusion and Future Applications

After nine months of policy development, deliberative consultation and Councillor consideration, Council published its first Community Buildings Licensing Policy. By developing an innovative approach to determining licensing fees and subsidy provision, the City of Ryde achieved its aims of meeting community, tenant and service sector expectations of seamless customer service, widespread participatory engagement in planning for the future, transparency and fairness in decision-making and consistent processes. There is significant scope to replicate this policy reform model for community building licensing, but there is also scope to use the consultation framework in other areas of reform that relate to multiple, diverse stakeholders with vested interests, such as Grant Policy, Infrastructure Planning, Town Planning and other policy processes.

## More information

For more information, please contact Christopher Hellmundt, Coordinator Community Projects (Community Buildings) on 9952 8302 or visit [www.ryde.nsw.gov.au/communityhubs](http://www.ryde.nsw.gov.au/communityhubs)