



PUBLIC CONSULTATION EVENING

Stirling Labor Club Proposed Lease Variation

The Canberra Labor Club is considering pursuing a proposal to deconcessionalise the Crown lease for its site at Stirling. The proposal is for property management purposes and would not alter the current use of the site.

The Weston Creek Labor Club is hosting two public consultation sessions to present and discuss the proposal, and invites you to attend.

Dates: Monday 2 August 2010 and Wednesday 4 August 2010

Time: Any time between 6-8pm

Location: Weston Creek Club, Teesdale Close, Stirling

Members of the project team will be there to explain the proposal in an informal setting, to answer any questions you might have, and to hear your thoughts.



Feedback received through the consultation sessions will inform the preparation of an Environmental Impact Statement. In the event that the proposal proceeds, formal public notification in accordance with the requirements of the Planning and Development Act 2007 will be carried out.

Frequently Asked Questions

What is a concessional lease?

A concessional lease is one that has been granted by the Territory for less than full market value. That is, the holder of the lease is able to use the land for a reduced price.

The granting of leases at less than market value (concessional leases) is a sensible approach, from a Government perspective, when community organisations such as clubs are starting out and are short of funds. When the organisations are well established and financially sound, as is now the case with the Labor Club, it is appropriate that full value be paid for the land that they occupy.

Concessional leases are therefore considered to be a mechanism that allows government assistance in the form of free or discounted land to be granted to a community group in the start up phase, whilst the deconcessionalisation process ensures that the subsidy does not continue beyond the point where it is needed.

Why does the Labor Club want to deconcessionalise its lease?

The concessional status of the lease the effect of reducing the effectiveness of the tenure of the property and reducing its value as an asset to the Club because the Club does not have unfettered ownership. This in turn has the effect of reducing the usefulness of the premises as an asset against which funds can be borrowed for the ongoing improvement of the Weston Creek Labor Club itself and for other Club purposes.

These issues have become more apparent following the global financial crisis as bank finance has become increasingly scarce. Whilst it has no immediate or urgent need for such funds the Club has determined that, as a matter of ordinary sound business management, the tenure on the lease should be confirmed.

Does this mean that the Labor Club will re-develop the site?

No. The site will continue to be occupied and operated by the Canberra Labor Club as a social club. Deconcessionalising does not grant development rights, and no other built development or changes of use are proposed or envisaged. Furthermore deconcessionalisation does not alter the purpose clause of a lease which restricts the type of activities which can occur on a site. In this instance, the purpose clause will continue to specify the use of the site as a Club.

Deconcessionalisation of a lease simply means that that lease is no longer concessional.

Isn't the Labor Club going to benefit from something the Government gave to it for free?

No. When a lease is deconcessionalised, the lease holder is required to 'payout' the lease. That is, the lease holder is required to reimburse the Government for the time during which it had concessional use of the land. The amount paid out is calculated based on market values determined by the Australian Valuation Office. This means that the Canberra Labor Club will have paid as much for that land as anyone else would have.

Will I have another opportunity to comment on this proposal?

Yes. If the Canberra Labor Club decides to progress with the deconcessionalisation, a draft Environmental Impact Statement (EIS) will be submitted to ACTPLA for its consideration, followed by a Development Application for the proposal. ACTPLA will publicly notify both the draft EIS and Development Application in accordance with legislative requirements. You will be able to submit your comments to ACTPLA at those points in time.