

## STATEMENT

The RRRC rehabilitation Reserve be established and maintained in accordance with section 6.11 of the Local Government Act 1995 for the purposes of setting aside money for a future financial year to meet obligations at the expiry of the ground lease.

## SCOPE

This Policy applies to the Ground Lease at 350 Bannister Road Canning Vale.

## OBJECTIVE

The purpose of the reserve is to meet lease obligations resulting from an early termination of the Ground Lease or at the expiry of the Ground Lease.

## ROLES & RESPONSIBILITIES

### Council

The Council is responsible for ensuring that the Resource Recovery Group utilise any funds held in the Reserve only for the purpose for which they have been allocated. Unless it resolves to change the purpose or use the funds for another purpose in accordance with 6.11 of the Local Government Act 1995.

## CONTENT

- a. Participants of the Regional Local Government entered into a Participants' Project Agreement in 2000 known as the Canning Vale Centre (RRRC).
- b. The RRG entered into a Ground Lease with the City of Canning in 2000 (Owners of the land located at 350 Bannister Road Canning Vale).
- c. The RRG and City of Canning agreed to an 'Extension and Variation of Lease' dated Feb 2016
- d. The RRG has obligations under the Ground Lease and Variation of Lease in the following clauses:
  - a. Clause 4.5 Removal of Improvements;
    - (a) All improvements to the Leased Land remain the property of the Lessee.
    - (b) If so directed by the Lessor, the Lessee must, at its own cost, take down and remove each improvement identified by the Lessor on the Leased Land by no later than the expiry of the Term. To avoid doubt, the Lessor cannot require the Lessee to leave some or all of the improvements on the Leased Land if the Lessee elects to take down and remove the same.
    - (c) Any improvements which the Lessor did not direct the Lessee to remove in accordance with clause 4.5(b) that remain on the Leased Land after the expiry of the Term shall be deemed abandoned and become the property of the Lessor.'
  - b. Clause 4.6 Condition in which the leased land is to be left;
 

No later than 12 months after the expiry of the Term, the Lessee shall fill in, consolidate and level off any unevenness, excavation or hole caused by the Lessee during the Term or by removal of the Lessee's improvements and shall leave the Leased Land in a clean, neat and tidy condition, free of all waste matter and in compliance with the requirements of all approvals under the Environmental Protection Act 1988.

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Prepared: EMGS	Reviewed by: SMG	Approved: COUNCIL	Page 1 of 2
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- e. The reserve is to set aside funds for future financial years to meet lease obligations and accounting for restoration and make good provisions.
- f. All reserve fund transfers shall be adopted by the Regional Council either with the adoption of the annual budget or by some other period by resolution of absolute majority.

### REFERENCES & REVIEW

<b>Statutory Compliance</b>	<ul style="list-style-type: none"> <li>▪ Local Government Act 1995 &amp; Regulations</li> <li>▪ Australian Accounting Standards</li> </ul>	
<b>Organisational Compliance</b>	<ul style="list-style-type: none"> <li>▪ City of Canning Ground Lease &amp; Variation to Lease</li> <li>▪ Accounting for Restoration and Make Good Provisions</li> </ul>	
<b>Approved by</b>	Regional Council	
<b>Next Revision Date</b>	August 2023	
<b>Related Documents</b>	Accounting for Restoration and Make Good Provisions Report June 2018	
<b>Policy Administration</b>	<b>Responsible Officer</b>	<b>Review Cycle</b>
Corporate (Finance)	Chief Executive Officer	Biennial
<b>Risk Rating</b>	Operational Risk Register – High	
<b>Location of document</b>	RRG Website – Members Area Staff Intranet RRG, 9 Aldous Place, Booragoon – Corporate Services RRRC, 350 Bannister Road, Canning Vale – staff room	

### DOCUMENT CONTROL REGISTER

Date	Review	No.	Author	Resp Officer	Council
2016	Original	1.	EMCS	CEO	30/06/2016
2019	Review	2	EMCS	CEO	27/06/2019
2021	Review	3	EMCS	CEO	26/08/2021
2023	Review	4	EMGS	SMG	24/08/2023

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