LORD HOWE ISLAND BOARD BUSINESS PAPER

OPEN SESSION

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Handley Review – Review of Compliance with Residency Condition of Perpetual Leases

Recommendations

Note: that a review has been undertaken.

Endorse: the plan provided to resolve each outstanding matter.

Current position

Recommendation 2 of the final *Handley Review of Land Allocation on Lord Howe Island* ("the Handley Review") stated that:

"Properly police and enforce the residency condition in perpetual leases, with forfeiture as a last resort."

A review of residency status of all lessees was undertaken in late 2017 by the administration with advice from local Board members. This paper provides an update on the status of the residency on lease investigations.

Comment

The policing of residency on lease requires the Board to prove in the positive that a resident is not residing on their lease. This makes investigations into residency status resource intensive and challenging.

The Board administration seeks to investigate all potential non-compliance with lease matters. Investigations into non-compliance are prioritised according to the degree of non-compliance. For example, in the two scenarios below:

- 1. A lease that is not being occupied by its lease holder and is otherwise vacant
- 2. A lease that is not being occupied by its lease holder, but is being occupied by an Islander.

Both scenarios are in breach of the Lord Howe Island Act, however scenario two can be remedied by way of a sublease arrangement that would be permissible under the Act. While the Board would intend to investigate and pursue compliance for both scenarios, scenarios where there is no obvious administrative solution will have a higher priority than scenario two.

There are currently nine investigations underway. No investigations have been resolved since the September 2022 meeting. Five letters have been issued as part of ongoing breaches. A detailed overview of each matter is listed in Attachment A.

The Board's resolution from the September 2022 stated:-

Action: Management bring a substantive plan to resolve each of the residency compliance matters to the next board meeting. Matters are to be prioritised and decision made on what action is to be taken

Please see Plan at Attachment A for prioritisation of investigations with suggested next steps.

Attachments

Attachment	Title
A	Business Paper - 14.1 Attachment A - Review of Compliance with Residency Condition on Perpetual Leases - December 2022 - Closed

Approval and contact

Approver	Position
Suzie Christensen	Chief Executive Officer
Preparer	Position