

## BACKGROUND

Costs can be incurred for the preparation of lease/licence documentation for premises. Where Council is required to incur these costs, this policy provides for Council to recover its costs from the lessee/licensee as part of the conditions applicable to Council's lease/licence of the premises.

## OBJECTIVE

The main objectives of this policy are to recover the cost of preparation of lease/licence documentation from the occupants of Council-owned or Council-controlled premises.

## POLICY STATEMENT

With the exception of leases/licences which are the subject of the Retail Leases Act 1994, all lessees/licensees of Council-owned or Council-controlled premises must reimburse Council for all costs of preparation of the lease/licence agreements and associated legal documentation, under the following terms:

### **a Commercial Lessees/Licensees**

This category of lessee/licensee shall pay all costs.

### **b Non Commercial – Community Group Lessee/Licensees**

Having regard to the status of the lessee/licensee and the type of activity carried out on the premises, this category of lessee/licensee shall only pay a portion of costs, as determined in the accompanying Statement of Procedures.

## STATEMENT OF PROCEDURES

### **1 INFORMING THE LESSEE/LICENSEE**

- a The Council Officer negotiating a lease/licence agreement is to inform the lessee/licensee of the terms of the policy prior to the conclusion of negotiations and the adoption of the proposal at a meeting of Council.
- b The requirements of this policy are to be included as a condition in the lease/licence agreement in order that Council can establish a legal basis for enforcing the policy and recovering its costs.

### **2 ALL LEASE/LICENCES PREPARED BY COUNCIL OFFICERS**

- a The lessee/licensee is to pay a fee to Council to offset the costs incurred by Council officers in preparation of the agreement.
- b This fee shall be determined by Council on an annual basis and included in its Schedule of Fees and Charges.

### **3 NON COMMERCIAL LEASE/LICENCES PREPARED BY COUNCIL'S SOLICITOR**

- a A non-commercial lessee/licensee is a non-profit organisation which performs a function on behalf of Council as a condition of its lease/licence agreement, eg maintenance of playing field, managing hall bookings, child care service.
- b Non-commercial lessee/licensees will pay an amount which will be determined by Council on an annual basis and included in its Schedule of Fees and Charges.
- c Council will pay the balance of the costs.

SUMMARY SHEET	
Responsible Division	Property and Recreation
Date adopted by Council	Adopted at EMC 26 May 2015 with administrative changes only
Date of previous adoptions	26 April 1988
Date of next review	May 2019
Prepared by	Property Services Manager
Authorised by	Manager Property and Recreation