



Policy Title:	Leasing and Licensing Policy 2017	
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CEO Signature:		Date:
Responsible Officer:	Manager Finance	
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Last Review Date:	August 2020	
Next Review Date:	November 2021	
Purpose for Policy:	<p>The purpose of this Policy is to:</p> <ul style="list-style-type: none"> <li>• Promote responsible stewardship – to ensure that Council owned or managed premises are appropriately and responsibly maintained, developed and occupied.</li> <li>• Require that any Tenant who occupies Council owned or managed premises does so under the terms and conditions of a current lease or licence.</li> <li>• Provide a foundation for the negotiation, establishment, administration, renewal and termination of leases and licenses.</li> <li>• Optimise the community benefit arising from community use of Council owned or managed premises.</li> </ul>	
Definitions:	<p><b>Commercial Activities</b> means the production, preparation, transportation, buying, selling, wholesaling, hiring or retailing of goods, services or products for the purpose of making a profit.</p> <p><b>Council owned or managed premises</b> means premises which are owned by Council or premises which are on Crown Land and Council is the appointed Committee of Management.</p> <p><b>Crown Land (Reserves) Act</b> means the Crown Land (Reserves) Act 1978 (Vic) as amended.</p> <p><b>Ground Lease</b> means a long term lease of the land only on which the tenant is permitted to make improvements during the term of the lease.</p> <p><b>Lease</b> is the right granted by the owner of land (landlord) to another person (Tenant) to have exclusive possession of the premises for a fixed duration in return for rent. A lease creates an interest in the premises that is binding and is capable of being assigned, unless the lease specifies to the contrary. Generally, Council shall grant a lease where the premises will be occupied exclusively by the one user and Council considers that granting a lease is in the best interests of the community.</p>	

**Lessor** someone who grants a lease

**Lessee** someone to whom a lease is granted

**Licence** is the permission granted to a person (licensee) to occupy the premises on particular conditions. The main feature that distinguishes a licence from a lease is that a licence does not permit exclusive occupancy of the premises. Council has a preference to grant licenses on its premises, rather than leases, because a licence ensures that access and use of Council premises is optimised by creating greater flexibility to share the premises.

**Licensor** someone who grants a licence

**Licensee** someone to whom a licence is granted

**Local Government Act** means the *Local Government Act 1989 as amended*.

**Outgoings** are the regular expenditure associated with the operations of the premises and the activities carried out by the tenant from the premises. These include outgoings (to the extent that they apply) such as Electricity, Gas, Water, Waste Water, Contents Insurance, Public Liability Insurance, Telecommunications, Garbage Charge, Recycling Charge, Garden Bin Charge and Government taxes, rates, charges and levies including GST and the Fire Services Property Levy (not applicable to new leases in Category 2)

**Retail Leases Act** means the *Retail Leases Act 2003* as amended.

**Premises** mean land within a recognisable and clearly defined area (normally the land description found on the certificate of title) AND in most cases the permanent buildings constructed upon the land.

**Tenant** means a person or organisation, which has entered into a lease or licence with Council for the occupancy and use of Council owned or managed premises. Council's Committees of Management and Council's Kindergarten Committees are not considered Tenants for the purpose of this Policy. There are three categories of Tenants as follows –

#### **Category One – General**

Category One Tenants are tenants whose purpose and activity is not defined in categories two or three. Examples of the types of Tenants within Category One include:

- Tenants who use or predominantly use the premises for commercial activities including tourism, hospitality, gambling and gaming.
- Tenants who use or predominantly use the premises for telecommunication and broadcasting activities excluding community radio stations.
- Tenants who use or predominantly use the premises for personal activities under a ground lease or grazing lease or beautification lease.
- Ground leases for airfield hangar sites.

	<p><b>Category Two – Clubs and Not for Profit Community Groups</b>            Category Two tenants include clubs and similar organisations that use or predominantly use the premises to provide cultural, sporting and recreational activities and services to their members or participating residents of the Shire. Category Two tenants usually have members who pay subscriptions, registration fees or usage fees and charges.            Category Two tenants usually have some capacity to generate revenue from use of the premises or other activities. Some of these tenants may be dependent on fund raising or Government or Council funding. They may make a small financial surplus each year but do not exist to make a profit and any surplus that they do make must be used solely for the purpose of developing, advancing and improving the organisation or promoting their objectives.            Examples of the types of Tenants within Category Two include non-commercial tennis clubs, bowling clubs, golf clubs, racing clubs, pony clubs, vehicle clubs, aero clubs, service clubs and shooting clubs as well as theatrical, drama and music societies, playgroups, youth groups, senior citizen groups, historical societies, CFA and SES.</p> <p><b>Category Three– Not for Profit Service Providers</b>            Category Three Tenants are not-for-profit community based health and wellbeing organisations. They have capacity and opportunity to derive income from the use of the premises and the services they provide. For example, the service provider may derive income such as fees for service, course fees, class fees, sponsorship and rent from sub tenancy arrangements. They may make a financial surplus each year but do not exist to make a profit and any surplus that they do make must be used solely for the purpose of developing, advancing and improving the organisation or promoting their objectives.            Examples of the types of Tenants within Category Three include community health centres, community radio stations, community advance associations, business incubators, neighbourhood houses, further educations centres and learning centres.</p>
<p><b>Related Policies:</b></p>	<ul style="list-style-type: none"> <li>● Asset Management Policy</li> <li>● Risk Management Policy</li> <li>● Electronic Gaming Machine (Pokies) Community Policy</li> <li>● Procurement Policy</li> <li>● Open Space Strategy and Leisure Strategy Plan</li> <li>● Complaints Handling Policy</li> </ul>
<p><b>Related Legislation:</b></p>	<p><b>Acts:</b></p> <ul style="list-style-type: none"> <li>● Local Government Act 1989</li> <li>● Retail Leases Act 2003</li> <li>● Crown Land (Reserves) Act 1978 (Vic)</li> <li>● Building Act 1993</li> <li>● Occupational Health and Safety Act 2004</li> <li>● Planning and Environment Act 1987</li> <li>● Health Act 1958</li> <li>● Education and Care Services National Law Act 2010</li> <li>● Land Act 1962</li> <li>● Child Wellbeing and Safety Act 2005</li> </ul>

	<p><b>Regulations:</b></p> <ul style="list-style-type: none"><li>• Retail Leases Regulations 2003</li><li>• Local Government (General) Regulations 2004</li><li>• Building Regulations 2006</li></ul> <p><b>Australian Standards:</b></p> <ul style="list-style-type: none"><li>• Building Code</li><li>• Risk Management AS/NZS ISO 3100:2009</li></ul>
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## 1. POLICY STATEMENT

### 1.1 Policy Objectives

The Local Government Charter in Part 1A of the Local Government Act ("the Act") describes the purpose, role and powers of councils within Victoria. Amongst other things, Council must have regard to ensuring that the services and facilities it provides are accessible and equitable. One of Council's many roles is to ensure that resources are managed in a responsible and accountable manner. Some of Council's functions include planning and providing facilities for the local community. It is Council's preference that the buildings and grounds are available for multiuse purposes where possible.

Furthermore, Council recognises its responsibilities to maintain and renew community facilities in its Council Plan (2017 – 2027).

As a consequence of and in support of this objective, some Council owned or managed premises have been made available for use by other organisations, groups and individual persons. This Policy has been developed for these cases and the objectives of this Policy are to:

- a) Ensure any Tenant who occupies Council owned or managed premises shall only do so under a current lease or licence and in accordance with the terms and conditions of the current lease or licence.
- b) Reaffirm clear roles and responsibilities between Council and Tenants.
- c) Ensure standard terms and conditions are applied consistently within each category of premises and across the same type of Tenant.
- d) Encourage fair and consistent decision-making associated with the interpretation and application of lease or licence terms and conditions.
- e) Ensure compliance with relevant legislation and applicable Council policies.
- f) Maximise the return on investment in premises used by Tenants for commercial purposes

### 1.2 Legislation

If any aspect of this Policy is contrary to Australian and Victorian legislation then such legislation is superior and shall prevail.

Section 190 of the Local Government Act grants councils throughout Victoria with the power to lease premises for a period up to 50 years.

### 1.3 Authorisation

In adopting this Policy, Council authorises the member of Council Staff holding, acting or performing the duties of the position of Manager Finance to act on its behalf in accordance with this Policy in all matters covered by this Policy.

### 1.4 Delegation

In adopting this Policy, Council delegates to the member of Council staff holding, acting in or performing the duties of the position of Manager Finance, the power to:

- a) lease any land in accordance with section 190 of the Local Government Act; and

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- b) sign all leases and licences and any other documentation associated with a lease or licence.

This delegation is revoked if any of the conditions of section 190(3) of the Local Government Act exist.

### **1.5 Applicability**

This policy applies to all Tenants of Council owned or managed premises.

### **1.6 Exemptions**

Residential leases are exempt from this policy.

This Policy may not be entirely applicable to grazing licences, unused road licences and seasonal hire agreements (short term agreements between Council and sporting clubs for the Clubs to use Council's recreation reserves for the purpose of organised sport). However, the terms and conditions under which these licences and agreements are issued must be consistent with this Policy, to the extent that it applies.

### **1.7 Reference Groups, Consultative Committees and s86 Committees**

For the purposes of this Policy, reference groups and consultative committees are not Tenants. The reference groups and committees have been formed to act in partnership with Councillors and Council Officers. They provide a forum for communication, information sharing and knowledge gathering between Council, Groups using the Reserves and the general community in the ongoing development, maintenance and usage of the Reserves. Council will take into consideration the feedback from the reference groups but the final decision is made by Council.

Committees appointed by Council under Section 86 of the Local Government Act are also not considered to be tenants. The s86 Committees operate through delegation of duties and powers from Council.

### **1.8 Enquiries**

All enquiries about any matters covered by this Policy shall be directed to Council's Property Officer.

Council's Property Officer reports to the Manager Finance and is responsible for providing advice and guidance to Tenants, Council Staff and members of the community.

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## **2. TENANTS AND LEASES OR LICENCES**

### **2.1 Tenants**

Leases or licences shall only be granted to persons or organisations that are legally capable of entering leases or licences such as –

- natural persons;
- organisations incorporated under the Associations Incorporation Reform Act 2012; or
- bodies corporate as defined under the Corporations Act 2001.

Lease agreements are not to be entered into with Trusts.

### **2.2 Leases or licences**

Any Tenant who occupies Council owned or managed premises shall only do so under a current lease or licence and in accordance with the terms and conditions of that lease or licence.

If a current lease or licence exists, the lease or licence shall remain in place and unchanged until –

- a) the terms and conditions of the lease or licence are re-negotiated for any reason; or
- b) the lease or licence expires –

after which a new lease or licence shall be prepared based on Council's Standard Lease template

If a current lease or licence does not exist, Council's Property Officer and relevant Department Manager shall contact the Tenant and advise the Tenant that a lease or licence shall be prepared, based on the Standard Lease template and provided to the Tenant as a matter of priority.

Council will only submit grant applications or commence capital works at facilities that are occupied by tenants who have a current lease or licence agreement in place with Council. This excludes works related to occupational health and safety. Tenants that are not under a current lease agreement will be ineligible for funding under Council grants programs.

#### **2.2.1. Category One Tenants - General**

When a general lease (or licence) for a Category One Tenant expires or is cancelled, then, subject to the limitations imposed by section 190 of the Local Government Act, the existing tenant will be offered a new lease (or licence) on reasonable terms and conditions specified by Council, subject to an evaluation of their performance under the previous lease arrangements and whether there is an ongoing benefit to the community. If the current tenant does not wish to accept the offer or the evaluation indicates that a new lease should not be offered, Council shall publicly invite expressions of interest from persons or organisations who wish to become a tenant.

At the close of expressions of interest an evaluation panel ("the Panel") shall be formed to interview the Applicants. The Panel shall comprise a minimum of three persons including Council's Property Officer, a representative of the relevant Council department(s) and the Manager Finance.

Upon completion of the evaluation process, the Panel shall prepare a report and recommendation for consideration and determination by Council, or if delegated authority is applicable, by the Manager Finance.



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The terms and conditions shall be negotiated with the successful Applicant.

Negotiations shall have regard to –

- a) Crown Land (Reserves) Act and Victorian Government guidelines if the lease or licence is on Crown Land; or
- b) the Retail Leases Act if the lease is a retail lease.

All Applicants shall be written to and advised of the outcome of this process.

### **2.2.2. Categories Two and Three Tenants**

When the lease or licence of a Council owned or managed premises is due to expire, Council's Manager Finance and the relevant Department Manager will –

- a) consider the future need, purpose and use of the premises; and
- b) determine a suitable Tenant for the premises, except if the conditions of section 190(3) of the Local Government Act are present.

The Manager Finance and the relevant Department Manager shall have regard to (among other things):

- a) whether the existing Tenant is still occupying the premises, is continuing to operate and is still able to provide an ongoing service or benefit to the community;
- b) whether the existing Tenant had at any time during the lease or licence breached the terms and conditions of its lease or licence;
- c) whether there are any other suitable Tenants that are able to provide ongoing benefit and service to the community which are consistent with Council's goals and objectives as described in the Council Plan.

### **2.2.3. Public Notice and Submissions**

In accordance with section 190(3) of the Local Government Act, if any of the following conditions are present

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- a) the term of the lease is for 1 year or more and the rent for any period of the lease is \$50,000 or more per year, or, the current market rental value of the land is \$50,000 or more per year; or
- b) the term of the lease is for 10 years or more; or
- c) the lease is to be a building or improving lease –

then, Council shall publish a public notice of the proposed lease, in the local newspapers and on its website, and invite any person to make a submission to Council.

The process of hearing Submitters and considering submissions shall be in accordance with section 223 of the Local Government Act.

Council's Manager Finance has authority under this Policy to undertake all procedures necessary to enable Council to carry out its functions under section 223 of the Local Government Act.

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#### **2.2.4. Crown Land**

Where Council is the Committee of Management over Crown Land, Council shall seek approval (from the Government Department responsible for the Crown Land (Reserves) Act) to enter into a lease or licence with a Tenant. The lease or licence shall be in the prescribed form as provided by that Government Department and Council's additional terms and conditions shall form part of the special conditions of the agreement. Such leases and licences are subject to the Crown Lands Reserve Act; therefore Section 190 of the Local Government Act does not apply.

#### **2.2.5. Signing of Lease or Licence**

After all processes are complete, the lease or licence shall be prepared and given to the Tenant for signing by the authorised signatories on behalf of the Tenant.

Furthermore, if the lease or licence is on Crown Land, the lease or licence shall be forwarded to the Government Department responsible for the Crown Land (Reserves) Act.

#### **2.2.6. Negotiations**

In the case of a new lease or licence or in the case that lease renewal terms and conditions are not addressed in the existing lease or licence, a reasonable time shall be permitted for Tenants to negotiate and enter a new lease or licence. However, negotiations and the signing of the lease or licence shall be finalised within six months of the lease or licence being given to the Tenant for signing.

If the date for finalisation of negotiations passes and a lease or licence has not been agreed (or a further extension of the negotiation deadline has not been granted), Tenants shall be deemed to have repudiated any rights to occupy the premises. In this circumstance, Council may secure the premises to prevent unauthorised access and find another suitable Tenant for the premises.

### **2.3. Rents**

#### **2.3.1. Rent Categories**

##### **Category One – General Tenants**

Unless it is the result of publicly inviting expressions of interest the rent for a new lease for a General Tenant shall be determined by an independent market rent assessment carried out by a Registered Valuer.

##### **Category Two – Clubs and not for Profit Community Groups**

The rent payable by tenants who are Not for Profit Community Groups shall be \$1 per annum. Any Tenant who occupies Council owned or managed premises shall only do so under a current lease or licence, based on Council's Standard Lease template, which requires the Tenant to pay for all outgoing with the exception of Council rates and the Fire Services Property Levy.

##### **Category Three – Not for Profit Service Providers**

The rent payable by Not for Profit Service Providers shall be the current rental terms at the date of this Policy. Any Tenant who occupies Council owned or managed premises shall only do so under a current lease or

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licence and in accordance with the current rent. The lease or licence shall be based on Council's Standard Lease template, which requires the Tenant to pay for all outgoings.

### **2.3.2. Rent Increases – Category One and Three**

All new or renewed leases and licences for Category One and Three Tenants shall include a condition that the rent shall be increased annually on the anniversary date of lease or licence. The rent increase shall be an increase based on a fixed percentage (such as 3% per annum) which shall be agreed to at the commencement of the new or renewed lease or licence. Clause 2.3.2 does not apply to Category Two Tenants.

### **2.3.4. Telecommunication Sub-lease and Rental**

In the event that the telecommunication structure is located on part of the premises upon which a Tenant has a lease or a licence –

- a) Tenants shall not negotiate with any telecommunication provider in relation to the use of Council owned or controlled premises.
- b) Council retains the right to enter sub-licences or sub-leases with telecommunication providers and may negotiate a sub-licence or sub-lease.
- c) Council shall not share the rental with the Tenant. Council shall retain the entire rent payable by the telecommunication provider under the sub-licence or sub-lease and it shall form part of general revenue. Council may invest the equivalent amount of revenue (as it receives in rent under the sub-licence or sub-lease) in the premises. If the premises are a crown land reserve then in accordance with the Crown Land (Reserves) Act, the rent under the sub-licence or sub-lease shall be invested in the crown land reserve.

### **2.3.5. Goods and Services Tax (GST)**

GST as determined by the Federal Government is currently payable by the Tenant on rent of Council premises.

### **3. STANDARD CONDITIONS**

#### **3.1 Lease and Licence Agreements**

In accordance with clause 2.2 of this Policy, all leases and licenses shall be based on Council's Standard Lease and Licence template. This is to ensure standard conditions shall be applied consistently to all Council premises and Tenants.

Each lease or licence shall include the following Annexures:

- a) list of Council owned major fixtures and fittings;
- b) plan indicating the leased or licensed area;
- c) building condition report; and
- d) Standard Maintenance Schedule.

Special Conditions may be included in a lease or licence, if necessary, to meet specific requirements of Council or the proposed Tenant.

Any costs associated with variations (including special conditions) to the Standard Lease template as a result of a Tenant's special requirements shall be the responsibility of Tenant.

#### **3.2 Term**

The term of the lease or licence may depend on many factors, including:

- a) the applicable legislation;
- b) the Tenant's contribution to building, structural and infrastructure works including new, renewal/refurbishment or upgrade works;
- c) the financial stability of the Tenant;
- d) any State Government requirements/legislation (where Council is Committee of management);
- e) the suitability of the premises for the Tenant's use; and
- f) Council's long term plan(s) for the premises.

Leases and licences shall be for a maximum term of nine years, however, at Council's discretion Council may offer a longer term where a Tenant has made or shall make a substantial contribution (more than \$250,000) to building, structural and infrastructure works on the premises and fully maintains those works for the duration of the lease or licence.

The leases will not include options for further terms. A new lease must be entered into at the end of the term.

#### **3.3 Outgoings**

The tenant shall be responsible for the payment of all outgoings (to the extent that they apply) such as Electricity, Gas, Water, Waste Water, Contents Insurance, Public Liability Insurance, Telecommunications, Garbage Charge, Recycling Charge, Garden Bin Charge and Government taxes, rates, charges and levies including GST and the Fire Services Property Levy. Tenants will be responsible for paying all outgoings with the following exception - Rates and Fire Services Property Levy will not be payable by Category 2 tenants.

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Individual tenants in a shared multi use premises shall be responsible for the payment of their proportion of the outgoings (to the extent that they apply). The relevant Department Manager shall determine the proportioning of outgoings. The proportion of costs attributable to each tenant shall be included as special condition of the lease.

### **3.4 Building Insurance**

Council shall effect and maintain the insurance of permanent buildings on Council owned land or Crown Land.

Annually, on the anniversary date of the lease or licence the Tenant shall provide Council with a list of the nature and value of any permanent buildings, structural improvements to those buildings, and essential safety measures constructed or installed on the premises in the previous 12 months – Council shall then add them to Council's Asset and Insurance Registers and insure them accordingly.

In the event that there is any damage to the permanent buildings, or essential safety measures, the Tenant shall contact the Council and cooperate with the preparation of an assessment report and/or insurance claim. Council shall consult with the Tenant and shall make arrangements for the damage to be assessed and organise for the damage to be made good. The Tenant shall fully cooperate with all Council Officers, Agents and Contractors engaged by Council to undertake the repairs and/or Council's insurer.

The Tenant shall be responsible for payment of the excess on Council's insurance policy in respect of any claim where the loss is a result of the tenant's occupation of the building Eg vandalism by users, failure to secure the building, fire as a result of failure to conduct required maintenance. In the event of repeated incidents of vandalism, Council shall consider assisting the Tenant with the payment of insurance excesses. Any other events, such as bushfire, flood, storm, impact damage, where the tenancy of the building is irrelevant, would not incur the policy excess.

Where the building is tenant owners all insurance is the responsibility of the Group/Club. A copy of the certificate of currency of building insurance must be provided to Council annually.

### **3.5 Tenants Property and Contents Insurance**

The Tenant should effect and maintain insurance for its own property including temporary structures (such as sheds and hangars), temporary chattels, fixtures and fittings, furniture, floor coverings, equipment and contents belonging to the Tenant. Council shall not insure any property owned or used by the Tenant including temporary structures (such as sheds and hangars), temporary chattels, fixtures and fittings, furniture, equipment and contents belonging to the Tenant.

Damage or loss to the temporary structures (such as sheds and hangars), temporary chattels, fixtures and fittings, furniture, equipment and contents belonging to the Tenant shall be the responsibility of the Tenant. In the event of any damage or loss Council shall not have any responsibility.

### **3.6 Public Liability Insurance**

The Tenant shall effect and maintain public liability insurance in accordance with the terms and conditions of the Lease or License. A current Certificate of Currency for Public Liability to the value of \$20m (for Category

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One and Three) and \$10M for Category Two tenants must be provided at the commencement of a lease and annually thereafter till the end of the lease period.

### **3.7 Assignment of Lease**

Assignment is the legal term for when a tenant transfers their whole interest in a rental property to another person. For example, if a tenant signed a 12-month tenancy agreement (lease) but decided to leave after 6 months, they could get another person to move in and take over their lease. The new tenant would take the place of the original tenant, paying rent directly to the landlord, and having all the rights and responsibilities of the original tenant.

Tenants shall not assign a non-retail lease unless approved by Council. Council shall comply with the provisions of the Retail Leases Act in relation to a Tenant's request to assign a retail lease. Any cost associated with an assignment of lease is the responsibility of the Lessee.

### **3.8 Subletting of lease**

Sub-letting is when a tenant transfers their interest under a tenancy agreement to another person but the original tenancy agreement with the landlord continues. The first tenant is called the head-tenant and the second tenant is called the sub-tenant. The agreement between them is called a sub-lease. Head tenants must formally request in writing approval from Council for any sublease arrangement they wish to enter into.

If Council does give approval to a sub lease of the premises, the sub lease shall, to the extent that it is practical, be subject to this Policy and the terms and conditions as the head lease.

If Council agrees to a sub lease of the premises and if there is any financial gain to the Tenant, Council may review and adjust the rent of the head lease. Council may also claim from the Tenant its reasonable legal costs incurred in connection with an assignment of lease or sub-lease of the premises.

### **3.9 Casual Hire**

The Tenants may make the premises available for casual hire or occasional hire where it is irregular use or "one off" events that can be hired on an hourly rate. The Tenant shall ensure the activities of the hirer and the use of the premises do not contravene the Tenant's Lease or Licence.

The Tenant shall ensure that casual hire of the premises is subject to a written agreement that makes the hirer responsible for all activities and use of the premises and makes the hirer accountable for any damage whatsoever that occurs whilst the agreement is in place. Tenants may use examples or templates available from Council.

The Tenant shall ensure that all activities and use of the premises are covered by the appropriate insurance whilst the hire agreement is in place.

The Tenant shall ensure that the activities undertaken by the hirer do not interfere with the primary purpose of the premises, adversely affect the amenity of nearby neighbours and meets all legal requirements such as liquor licencing.

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## **4. END OF LEASE OR LICENCE**

### **4.1 Tenant shall vacate**

At the end of the lease or licence (which is the end of the term or the earlier termination of the lease or licence) the Tenant shall vacate the premises and give them back to Council in a condition consistent with the Tenant having complied with its obligations under the lease or licence.

### **4.2 Ownership of Improvements**

Unless otherwise agreed by both parties in writing, all permanent buildings, structural improvements to those permanent buildings and essential safety measures constructed or installed on the premises (by Council, the Tenant or any other person or organisation) during the term of the lease or licence shall become the property of Council.

Unless otherwise agreed by both parties in writing, all temporary structures (including sheds) fixtures or fittings installed on the premises by the Tenant during the term of the lease or licence shall be removed by the Tenant at the end of the lease or licence. The Tenant shall make good any damage caused by the removal.

At the expiry or termination of a Kyneton Airfield Aircraft Hangar ground lease, if the Tenant does not renew the ground lease, the Tenant shall either remove the Aircraft Hangar or make written arrangements for it to be purchased or acquired by the new Tenant.

Any plant, furniture, equipment, vehicles or contents placed on the premises by the Tenant during the term of the lease or licence shall be removed by the Tenant at the end of the lease or licence.

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## **5. MAINTENANCE**

In accordance with clause 2.2 of this Policy, all leases and licenses shall be based on Council's Standard Lease template, which includes Council's Standard Maintenance Schedule. This is to ensure that there is the consistent allocation of maintenance responsibilities to all Council premises and Tenants.

Unless extraordinary circumstances are present Council's Standard Maintenance Schedule shall not be amended.

The Standard Maintenance Schedule specifies the responsibilities of Council and the Tenant, including electrical, essential services (also known as essential safety measures), plumbing, grounds, building fabric, internal fittings, security and external infrastructure.

Council and the Tenant shall maintain the premises in accordance with the Standard Maintenance Schedule to the extent that it is applicable. Any items which are not listed in the Standard Maintenance Schedule are the responsibility of the Tenant.

The Tenant should allocate sufficient funds within its budget for its responsibilities under the Standard Maintenance Schedule and towards the future replacement of items which are its responsibility. Council shall allocate funds annually within its overall building maintenance budget for all the premises which it owns and manages therefore Council's responsibilities under the Standard Maintenance Schedule are limited by its annual budget allocations and resources.

The Tenant shall clean and keep clean the premises including the grounds, building, fixtures and fittings.

Council and the Tenant are not permitted to undertake any works above 2.0 metres without meeting the appropriate OH&S requirements.

The Tenant shall not alter, remove, add to or replace the roof, walls, structures, fixtures, windows and external doors, without first obtaining the written consent of Council. The Tenant shall scope and specify the specific requirements of the proposed work. The Tenant shall submit the proposed work to Council and Council Officers shall assess the proposed work. If approved, the work shall be undertaken by a fully qualified and insured contractor. Council Officers shall ensure that there is satisfactory completion of all approved work.

Council's Standard Maintenance schedule shall be provided to Tenants and prospective Tenants upon request.

## **6. EXTERNAL FUNDING AGREEMENTS**

Tenants must advise Council prior to any applications for external funding for any works applicable to the leases premises.



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## **7. SIGNAGE ON LEASE AND LICENSED PROPERTIES**

Tenants must not write, paint, display, hang or affix any sign, advertisement, placard, name, flagpole, flag or notice on any part of the Premises or land that they lease or licence without the prior written consent of Council.

Signs that promote gambling or may be considered discriminatory against a person or section of the community on account of race, ethnicity, nationality, sex, age, sexual preference, religion, disability or political belief are prohibited.

## **8. DISPUTE RESOLUTION**

Any complaints from tenants in regard to leases and licenses will be managed in accordance with Council's Complaints Handling Policy.

In the unlikely event that Council and the tenant cannot agree to lease terms or there is a dispute in relation to an existing lease that cannot be resolved, then an external mediator may be engaged to assist in settling the dispute. An external mediator will only be engaged where approval is given by the Council CEO. Any costs associated with the engagement of a mediator will be shared equally between Council and the tenant.