



# Community Leasing Framework



### Introduction

After a review of the management of Town properties, a Property Management Policy (**Policy**) and supporting Community Leasing Framework (**Framework**) has been developed to ensure the Town is meeting the demands and needs of the community. The Policy sets the overarching principles guiding management of these properties by the Town. The Framework will guide the Town's management of these properties for the benefit of the community, in compliance with statutory obligations and will provide an equitable methodology for calculating annual lease and license fees.

The Town's ten-year Strategic Community Plan, adopted in 2020, has 'Strengthening and Connecting our Community' as a key priority. This Framework supports the Strategic Community Plan and reflects the Town's desire to promote the wellbeing of all people in the community through collaborating with recreational and community groups, building community capacity and supporting health lifestyles throughout our Town.

This Framework applies to lease and license agreements with sporting clubs and community organisations that meet the eligibility criteria set out in Appendix 2.

Lease or license agreements with government bodies, commercial entities, or state and national clubs, associations and community organisations are not within the scope of this Framework. Such agreements will be negotiated on a case-by-case basis with consideration given to all relevant factors, as outlined in the Policy.

Facility hire (regular or occasional use of a property to deliver community-based programs, events or activities on an hourly or daily rate) is not covered within this Framework. Facility hire is provided through a Casual or Regular Booking Application, based on the Town's Schedule of Fees and Charges.

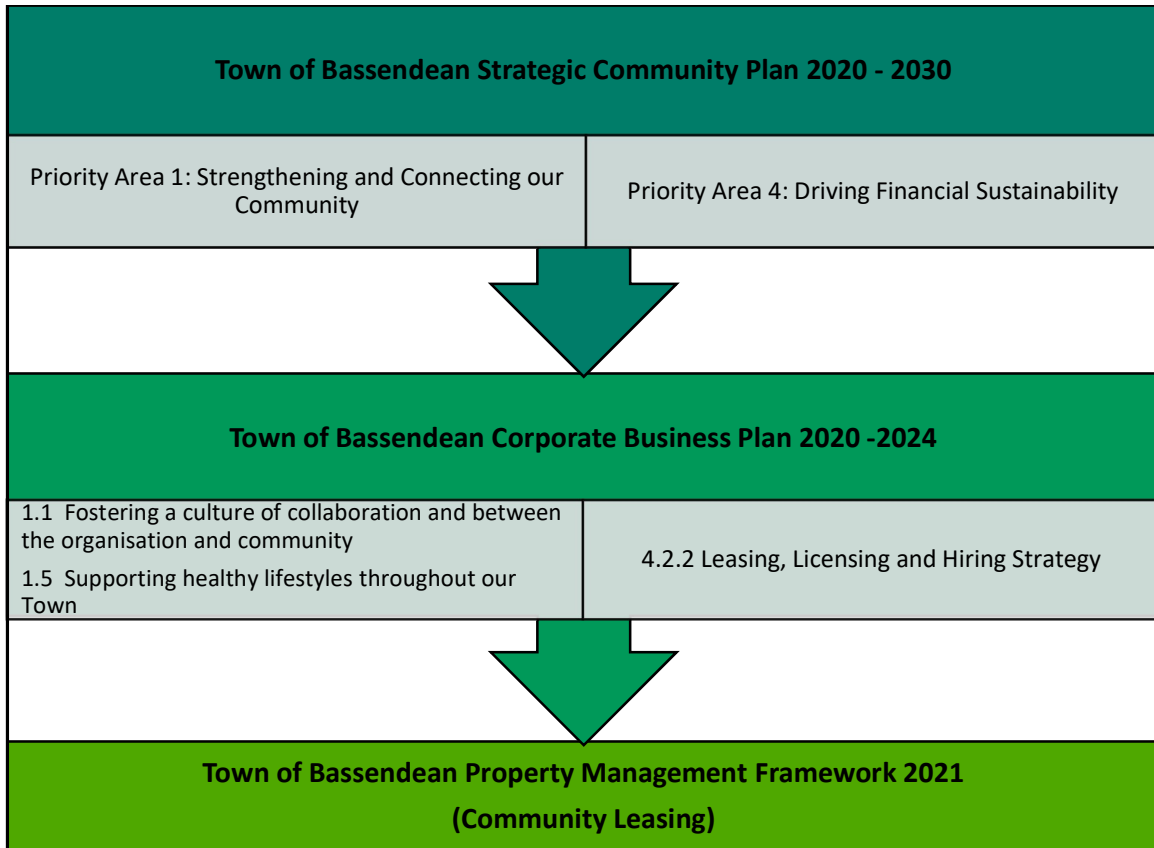


### Objectives

The Objective of this Framework is to provide an open, transparent and equitable process for granting new leases or licenses for use of Town owned and managed properties for community leasing, by:

- a. Providing an equitable methodology for calculating annual lease and licence fees; and
- b. Establishing general terms and conditions (Appendix 2) that the Town will use as the basis for negotiating all leases and licenses, with a detailed Schedule of Maintenance Obligations (Appendix 3).

## Strategic Context



## Types of Occupancy Agreements

### Lease

A lease is a right granted by the owner of land for an occupant to have the exclusive use of that land for a specified period of time in exchange for an agreed rental payment. If a tenant has exclusive occupancy over the land or facility, it follows that the maintenance and management expectations placed on the tenant will usually be greater than they are under license or hire agreements that are not exclusive.

### Licenses

Under the terms and conditions of a license contract, the tenant is granted permission to access property for a specified purpose(s), such as conduct of a sporting activity at specified times and under specified conditions.

A license agreement does not provide for exclusive use of a facility beyond the specified times of access. It is reasonable to expect the rights and obligations of the lessee in respect to maintenance and management of the facility would be less stringent under a license agreement than a lease agreement.

## Period of Tenure

### Leases

A Lease may be granted for a period of up to five (5) years with one or more extension options for a maximum additional period of up to five (5) years.

### Licenses

A License may be granted for a period of up to three (3) years, without an extension option.

Eligibility criteria and essential terms for a lease or license are set out in Appendix 2.

## Annual Tenancy Fee Methodology

The annual tenancy fee methodology is based on the Gross Rental Value (GRV) of the property.

The Town is committed to providing access to property for the benefit of the Town of Bassendean community and does not seek to derive profit from community leases.

## Governance

In accordance with the *Local Government Act 1995*, lease/license agreements will be advertised by a local Public Notice unless the organisation is a not-for-profit charitable, benevolent, religious, cultural, educational, recreational or sporting organisation.

In accordance with the *Land Administration Act 1997*, prior approval will be obtained from State Land Services with respect to leases/licenses over Crown property managed by the Town under a Management Order.

Tenure arrangements will be reviewed at the end of the lease or license period. The review will commence at least six months prior to the expiration date to enable the Town and lessee/licensee appropriate time to prepare for the new lease or license, or prepare to vacate the property.

Tenants may be required to provide the following documents annually to the Town:

- Association's registration number (IARN);
- AGM Minutes;
- Certificates of currency (as applicable);
- Financial statements;
- Liquor license (if applicable); and
- Any other document required by the Town.

## Related Town Policies and Plans

- Asset Management Policy
- Use of Community Facilities Policy
- Town of Bassendean Local Government Property Local Law
- Town of Bassendean Access and Inclusion Plan.

## Review

This Framework will be reviewed every four years in alignment with the Town's Property Management Policy and Corporate Business Plan.

## Appendix

1. List of Properties For Community Leasing
2. Eligibility Criteria & Essential Terms – Community Leasing
3. Schedule of Maintenance Obligations – Community Leasing



## Town of Bassendean Property Management Framework

### Appendix 1: List of Properties for Community Leasing

Property Address	Property Type
Ashfield Reserve	Sports Club
10 Whitfield Street, Bassendean	Sports Club
BIC Reserve	Sports Club
Jubilee Reserve	Sports Club
1A May Holman Drive, Bassendean	Community Organisation
1 May Holman Drive, Bassendean	Community Association

## Town of Bassendean Property Management Framework

### Appendix 2: Eligibility Criteria & Essential Terms

Eligibility Criteria	
Community Benefit	The service is unique, specific and meets a high level of need, or the service meets identified social/community needs.
Shared Use	Dependent on the size of the facility and level of use by the tenant, hiring to the community outside the tenant's usage times on a fee for service basis (based on the Town's Schedule of Fees and Charges for similar properties) may be a requirement.
Revenue	The tenant has the capacity to generate revenue from its use of the property (i.e. membership, bar or kitchen facilities) or activities consistent with the organisational purpose of the tenant.
Membership and Governance	Demonstrates an affordable membership regime and good governance and facilitates programs and activities that add value to the social and community fabric of the Town.
Operational	Not-for-profit organisation, community group or club run by volunteers or paid workers.
Organisational Structure	The organisation services the local community and may be locally-based or may be part of a larger not-for-profit organisation. Must be incorporated under <i>Associations Incorporation Act 1987</i> .
Example	Sporting clubs and community groups, e.g. bowling club, men's shed etc.

Agreement Type	Outgoings	Statutory Compliance	Pest Inspection	Rubbish & Recycle Bins	ESL	Building Insurance	Public Liability Insurance	Minor Maintenance & Repairs	Capital Upgrades	Building Insurance Excess	Tenancy Fee
License	✓	✓	✓	✓	✓	X	✓	✓	X	✓	10% GRV
Lease	✓	✓	✓	✓	✓	✓	✓	✓	X	✓	10% GRV

**Town of Bassendean Property Management Framework**

**Appendix 2: Eligibility Criteria & Essential Terms**

<b>Essential Terms</b>	
<b>Term of lease or license</b>	<p>Lease:</p> <ul style="list-style-type: none"> <li>• Initial Term: For a period of up to five (5) years</li> <li>• Further Term: One or more extension options for a maximum additional period of up to five (5) years</li> </ul> <p>License: Maximum 3 years, with no extension option</p>
<b>Tenancy fee</b>	10% of GRV
<b>Responsibilities of Tenant</b>	<p><b>Payments</b></p> <ul style="list-style-type: none"> <li>• All outgoings, rates and taxes</li> <li>• Cost of maintaining statutory compliance including RCD, smoke alarm, emergency exit and fire hydrant testing</li> <li>• Pest Inspections (including termite inspections) and treatment</li> <li>• Waste services and Emergency Services Levy (ESL)</li> <li>• Building insurance premium and excess on building insurance claims</li> <li>• Rent or licence fee</li> </ul> <p><b>Repair/Maintenance</b></p> <ul style="list-style-type: none"> <li>• Comply with the Schedule of Maintenance Obligations (Appendix 3)</li> <li>• Maintain the property in good repair, as detailed in the property condition report</li> <li>• General minor maintenance of premises, including replacement of fittings and fixtures</li> <li>• Cleaning (internal and external including annual carpet cleaning)</li> <li>• No property modifications or installations without Town approval</li> </ul> <p><b>Insurance</b></p> <ul style="list-style-type: none"> <li>• \$20M Public Liability Insurance</li> </ul>
<b>Responsibilities of the Town</b>	<p><b>Repair/Maintenance</b></p> <ul style="list-style-type: none"> <li>• Re-painting of internal and external premises</li> <li>• Maintenance of roofing, mechanical services and the main structure (unless damage caused by tenant)</li> <li>• Renewal of existing assets within the leased or licensed area (at the Town’s discretion)</li> </ul> <p><b>Capital Upgrades</b></p> <ul style="list-style-type: none"> <li>• Capital upgrade and expansion of all assets within the leased or licensed area (at the Town’s discretion)</li> </ul> <p><b>Inspections</b></p> <ul style="list-style-type: none"> <li>• The Town will inspect the premises annually (or as required) and will give the tenant appropriate notice in accordance with the lease or license terms</li> </ul>



**Town of Bassendean Property Management Framework**

**Appendix 3: Schedule of Maintenance Obligations**

Maintenance Item	Lessor Obligations <sup>1</sup>	Tenant Obligations
<b>Statutory/Minimum Level of Service Obligations</b>		
Emergency exit lighting systems and emergency doors	Annual inspection of the premises to ensure maintenance and compliance with requirements of the Building Code of Australia and Australian Standards.	Promptly report any faults or operational issues with the emergency/exit lighting systems in the premises to the lessor. Reimburse the lessor for the cost of annual compliance inspections.
Fire protection equipment (e.g. fire extinguishers, hoses, smoke alarms)	Annual inspection of the premises to ensure compliance with FESA and DFES requirements.	Promptly report any use or operational issues with the fire protection equipment in the premises to the lessor. Reimburse the lessor for the cost of annual compliance inspections.
RCD protections, tagging electrical equipment	Ensure that all RCDs are repaired and maintained in accordance with the relevant legislation.	Ensure that all portable plug-in electrical equipment and RCDs are regularly inspected in accordance with relevant legislation. Reimburse the lessor for the cost of annual compliance inspections.
Pest control, vermin control and termites	Annual pest inspections and extermination treatment.	Endeavour to keep the premises free and clear of all rodents, rats, vermin, insects, birds, animals and other pests and report to the lessor any pest activity or required treatment. Reimburse the lessor for the cost of annual pest inspection and treatments.
<b>Premises and Security</b>		
Cleaning and cobweb removal	None.	Ensure premises is kept tidy and free of litter, dirt, rubbish, cobwebs and broken glass at all times.
Malicious damage and break ins	At request of tenant, submit building insurance claim on behalf of tenant.	Responsible for repairing and replacing any stolen goods or broken fixtures and fittings, minor repairs and cleaning of broken glass, windows and doors after an act/incident of malicious damage. Report any incidents of malicious damage or break-ins to the owner.

<sup>1</sup> References to Lessor include Licensor, as the case may be.

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Vandalism & graffiti	At request of tenant, submit building insurance claim on behalf of tenant.	Remove internal and external vandalism & graffiti and repair any damage caused.
Security monitoring, equipment and security lights.	If the lessor provides a security system to the premises, the lessor will maintain the security system in good condition but is not required to replace the security system if it comes to the end of its economic life.	The tenant must ensure the premises is maintained in a secure condition at all times. If the tenant installs a security system in the premises, the tenant must keep the security system in good condition, pay all monitoring and service costs associated with the security system and promptly attend any call outs to the premises. If the lessor is called upon to attend the premises or the lessor incurs expense for a call out on a lessor installed security system, the tenant may be required to pay all costs incurred by the lessor due to that call out.
Ceiling	Repair any structural damage to ceiling. If damage is caused or contributed to by the tenant or tenant's employees and visitors, the lessor may require the tenant to reimburse it for part or all of the cost of repairing the damage.	Clean ceilings, as required, and report any structural damage to the lessor.
Walls	Repair structural damage to load bearing walls. If damage is caused or contributed to by the tenant or tenant's employees and visitors, the lessor may require the tenant to reimburse it for part or all of the cost of repairing the damage.	Keep clean at all times, dust any cobwebs and report any structural repairs or faults to lessor.

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<b>Maintenance Item</b>	<b>Lessor Obligations<sup>1</sup></b>	<b>Tenant Obligations</b>
Window, glass panes, flyscreens, security screens, doors, door handles.	Replace any irreparable items.	Keep items clean, operable, lockable, and firmly fixed. Repair, replace and lubricate hinges of items if damage caused by misuse/internal vandalism.
Skylights, lighting, globes	Replace any skylights or lighting fixtures (excluding globes) requiring replacement due to old age/end of economic life.	Keep clean at all times and repair or replace as required
Painting	Repaint premises (interior and exterior) to ensure it remains in good repair, as and when determined by the lessor.	Minor remedial painting and touch ups to repair general wear and tear.
Cupboards, blinds, curtains, mirrors	Replace as and when determined by the lessor.	Keep clean at all times. Maintain and repair items as required.
Carpet	Replace as and when determined by the lessor.	Keep clean at all times. Professionally clean at least once annually.
Vinyl floors	Replace as and when determined by the lessor.	Keep clean at all times.
Wooden floors	Replace as and when determined by the lessor.	Keep clean at all times.
Tiled floors	Replace as and when determined by the lessor.	Keep clean at all times.

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<b>Maintenance Item</b>	<b>Lessor Obligations<sup>1</sup></b>	<b>Tenant Obligations</b>
Bathrooms and change rooms (including: drains, hot water systems, sewerage, showers, sinks, taps, toilets etc.)	Replace irreparable items. Undertake capital renewal as and when determined by the lessor. Where the lessor undertakes works or repairs to clear blockages which have occurred as a result of the neglect, misuse or default of the tenant, the tenant may be required to pay part or all of the lessor's costs of undertaking those works.	Must keep clean at all times. Ensure all are operable and free from any blockages. Tenant shall not permit foreign objects or matter to be placed into drains, toilets or grease traps. Tenant will advise the Town before making repairs or installing electrical appliances with the use of a qualified electrician.
<b>Fixtures, Fittings, Appliances and Electrical</b>		
Air-conditioning	Repair and undertake annual servicing of air-conditioning units/systems. Replace air-conditioning units/systems that are irreparable or at the end of their economic life.	Notify lessor if air conditioner unit requires servicing or repair. Responsible for replacing if damage is due to internal vandalism.
Oven vents	If at the end of its life, the lessor may, at its discretion, replace.	Keep clean at all times and repair when necessary
Exhaust fans	If at the end of its life, the lessor may, at its discretion, replace.	Keep clean at all times and repair when necessary
Electrical fittings (i.e. plugs, switches, sockets, leads, lights, power points)	Replace any irreparable items. If replacement is caused by misuse/negligence of tenant, lessor may require the tenant to reimburse it for the part or all of the cost of replacement.	Maintain and repair as required. The tenant must ensure that electrical fittings are not overloaded when in use.

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Wiring	Replace any irreparable items.	Advise the lessor prior to any wiring or electrical work taking place
Appliances (i.e. fridges, toasters, freezer, stove, microwaves, washing machine)	Replace irreparable items at the discretion of the lessor.	Keep clean at all times. Keep items operable, regularly maintain and repair as required.
<b>Premises Exterior and Surrounds</b>		
Roof (including leaks, broken tiles etc.)	Repair any structural damage to roof and clean as required. If damage is caused or contributed to by the tenant or tenant's employees and visitors, the lessor may require the tenant to reimburse it for part or all of the cost of repairing the damage.	Report any structural damage to the lessor. Repair any damage to the roof (structural or otherwise) caused by the tenant or its failure to maintain the eaves, gutters and downpipes in a clean and clear condition.
Eaves, gutters & downpipes	Repair any damage to eaves, gutters and downpipes. If damage is caused by tenant failing to maintain the eaves, gutters or downpipes in a clean and clear condition, the lessor may require the tenant to reimburse the lessor for the part or all of the cost of undertaking the repairs.	Maintain eaves, gutters and downpipes in a clean and clear condition and report any damage to same to the lessor. Repair any damage to the eaves, gutters or downpipes where caused or contributed to by the tenant or its failure to maintain the eaves, gutters and downpipes in a clean and clear condition.
Garden and surrounds (including fencing and gates)	Responsible for any major tree pruning and tree removal. Replace fences and/or gates as required and determined by the lessor.	Maintain the surroundings, fertilising, minor pruning and conduct regular mowing of the lawn at its own cost. Responsible for ensuring all fences and gates are cleaned, repaired, re-enforced and maintained. Not to remove any trees or hedges without first obtaining approval from the lessor, except for urgent safety reasons.

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Maintenance Item	Lessor Obligations <sup>1</sup>	Tenant Obligations
Turf	Responsible for turf maintenance (if the reserve/space is freely accessible by public and the Lessor controls/manages the use/access of the reserve/space)	Responsible for turf maintenance (if the reserve/space is not freely accessible by public and the tenant controls/manages the use/access of the reserve/space)
Walkways, footpaths, access, steps, ramps	Responsible for Town verge footpaths.	Keep clean and clear at all times.
Carpark	Responsible for bitumen repairs, pot-hole maintenance and line marking.	Responsible for ensuring the car park is clean and clear of rubbish, trip hazards or obstructions.
Shed, roller doors and garage (if applicable)	Replace as and when determined by the lessor.	Responsible for cleaning, repairs and maintenance of such structures.
Abandoned rubbish	Arrange for removal of abandoned furniture, car parts and larger rubbish that has been dumped on the verge, carpark or grassed area.	Arrange for removal of smaller abandoned items that have been dumped on the property which will fit in the bins provided.
Pollution	None.	Do all things necessary to prevent pollution or contamination of the land by garbage, refuse, waste matter, oil or other pollutants. Report any pollution, contamination or suspected pollution/contamination to the land to the lessor promptly.
Maintain, Service and Repair Bore and Pump	Responsible for annual inspection, and determining the schedule for maintenance and repair. Service, repair and maintenance costs are to be allocated between the lessor and tenant in the property lease	As defined in the property lease