



INNER WEST COUNCIL

LAPS Frequently asked questions (FAQs)

What does this mean for my lease or licence?

Council has more than 80 existing agreements, each with different conditions. Under the LAPS Council will aim for a consistent approach to all new agreements. Once a lease expires, Council will either issue a short term renewal or commence a competitive process for the new lease or licence.

When will this impact on my tenancy?

More than half of the current agreements are in a holdover arrangement. This means that whilst the lease is out of date, the agreement has not expired and all conditions and terms are still binding.

Council staff will be guided by the Leasing Implementation Plan which will take approximately four years. This plan is prioritised based on capital works program, tenant current performance and Council strategic needs. The current prioritised program is part of the LAPS.

Will I have to pay more?

Under the LAPS, Council will aim to charge a market rent for properties and tenants must pay all outgoings. These include building insurance, water rates, repairs and maintenance.

Rent agreements will be assessed against the benchmarks identified in the LAPS.

Why is Council going to charge market rents and recoup outgoings?

Inner West Council was formed from the amalgamation of Ashfield, Leichhardt and Marrickville Councils in 2016. The former Councils historically agreed to discounted rental arrangements or peppercorn rental arrangements. Under the Office of Local Government Accounting Code, Councils must quantify the financial support and the true commercial income that a property will provide.

What if my organisation can't afford market rent?

The LAPS proposes an Accommodation Grants Program by which organisations can apply for discounted rent. The draft LAPS Policy sets out the Accommodation Grant discounts as follows:

Accommodation Grant Eligibility Criteria

Grant	Comments and Examples
100%	Council provides a grant for 100% of the market rent excluding the cost the outgoings.

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90%	Despite this indication, the rent must at least cover outgoings arising as a direct result of the occupation and if Crown Land must be at least the specified annual minimum. This category will usually be for small volunteer groups with little funding or capacity to raise income and who meet Council's strategic objectives and/or priorities to a very high degree and who are occupying 1-2 small rooms with shared facilities or co-location.
75%	This will usually be organizations meeting Council's objectives or priorities to a high degree, with some funding but unable to pay close to market rent.
50%	This will usually be organizations which align with Council's priorities, have some funding or capacity to obtain income but unable to pay market rent.
25%	This will usually be organizations which align with Council's priorities, and have some funding or capacity to obtain income or funding but are unable to pay full market rent.
10%	This will usually be organizations with capacity to pay market rent or close to market rent, by charging its clients fees at market rates and/or through other commercial avenues or funding sources, but a small Council subsidy is justified due to the need and uniqueness of the service provided or other factors.
0%	This will usually be organizations with capacity to pay market rent, due to its size and/or by charging its clients fees at market rates and/or through other commercial avenues or funding sources. Commercial Leases.

Will I be eligible for an Accommodation Grant?

Accommodation grants equivalent to all or part of the market rent may be granted to non-government organisations (NGOs), incorporated not-for-profit (NFP) service providers, and sporting and community organisations for non-commercial properties provided that such uses align with the community's demonstrated needs or aspirations, and meet the objectives of the Community Strategic Plan or associated Council plans.

How and when do I apply?

Applications for Accommodation Grants will be accepted at the time of the Expression of Interest or Request for Tender process for the property in question.

What about Sporting Clubs and community groups that have been in some properties for a long time?

Council recognises that many existing Lessees or Licensees of community land and Crown Land, notably sporting bodies and community groups, have strong historical, social and/or recreational ties to the facilities they use. In some cases, they have contributed financially to the development of these facilities. In considering new or continued Leases or Licenses of such facilities, Council will take these factors into account and may at its discretion and subject to a report to Council, not require Expressions of Interest or Tender to be called.

Please refer to the draft LAPS for full details.