

# Rose Marsden Cottage Lease

**Meeting:** Kaipara District Council  
**Date of meeting:** 26 February 2020  
**Reporting officer:** John Burt, Property & Commercial Advisor  
Jenny Rooney, Funding Coordinator

## Purpose/Ngā whāinga

To seek approval for the surrender of the Lease of the Rose Marsden Cottage by Plunket NZ and to approve a Licence to Occupy the Rose Marsden Cottage for Te Whai Community Trust.

## Executive summary/Whakarāpopototanga

In February 2010 Council granted Plunket a lease of the cottage for an initial term of 10 years. The lease also has a right of renewal for a further 10 years from Feb 2020, which Plunket NZ advised Council that it wished to exercise. In November 2019, Plunket advised they would like to explore the possibility of surrendering the lease and supporting an application for Te Whai Community Trust to take over the building, and for Plunket sub lease/hire from them for the two days per week for clinics at Mangawhai. The Te Whai Community Trust have outgrown their current premises and have the funding and wish to take over the building. There is currently nowhere else available suitable for them to occupy. The current Plunket playgroup and Toy Library are intending to become autonomous and separate from Plunket, and to join with Te Whai Community Trust to offer volunteer led community services.

This report is recommending that Council accept a surrender of the lease from Plunket and grant Te Whai Community trust a Licence to Occupy in accordance with Councils Community assistance Policy.

## Recommendation/Ngā tūtohunga

That the Kaipara District Council:

- a) Approves a surrender of the Lease of the Rose Marsden Cottage by Plunket NZ
- b) Approves a Licence to Occupy the Rose Marsden Cottage for Te Whai Community Trust.
- c) Delegates to the Chief Executive responsibility for negotiating the terms and conditions of the Deed of Surrender and Licence to occupy agreement.

## Context/Horopaki

- i. Council has received a request from Plunket NZ and the Te Whai Community Trust. The two organisations have mutually agreed that a transfer of the Rose Marsden Cottage from Plunket NZ to the Te Whai Community trust would provide enhanced community outcomes, while still allowing Plunket to deliver Clinic services to families in the District.
- ii. In February 2010 Council granted Plunket a lease of the cottage for an initial term of 10 years. The lease also provided Plunket with a right of renewal for a further 10 years from Feb 2020. In the middle of 2019, Plunket NZ advised Council that it wished to exercise its right of renewal for this further term.
- iii. In November 2019, Plunket advised they would like to explore the possibility of;
  - a. Surrendering the lease next year (on 18 February 2020 when the right of renewal for a further term commences) and;

- b. Supporting an application for Te Whai Community Trust Mangawhai (Charity number CC52886) to take over the building, and for Plunket sub lease/hire from them for the two days per week we have clinics at Mangawhai. The Community Trust have outgrown their current premises and have enough funding and desire to take over the lease. There is currently nowhere else available for them to lease in Mangawhai. The current Plunket playgroup and Toy Library are intending to become autonomous and separate from Plunket and joining with Te Whai Community Trust Mangawhai to offer volunteer led community services in Mangawhai. They have Plunket's support. Subsequently we have received a request from Te Whai Trust for a licence to occupy should the surrender of the lease by Plunket becomes available.

A copy of information supplied by Te Whai on the organisation and its aims and objectives is appended to this report as Attachment A

## Discussion/Ngā kōrerorero

As the Plunket offer to surrender, the lease is conditional on the building being transferred to Te Whai with Plunket continuing as a sub tenant, Council really has only the following options:

### Options

Option 1: Approve the surrender of the Lease of the Rose Marsden Cottage by Plunket NZ and to approve a Licence to Occupy the Rose Marsden Cottage for Te Whai Community Trust.

Option 2: Status quo, Council does not accept the surrender of the lease by Plunket NZ and they will consequently continue as the lessee for the next 10 years.

The recommended option is **option 1**.

### Assessment of Options

#### Option 1 – Approve Surrender and LTO

Criteria	Advantages	Disadvantages
Community	Supports a local organisation in their desire to have a permanent base.	
Financial	Requires the Community Trust to become responsible for all costs of maintaining the building.	
Social	Provides for a shared use of the building by multiple local organisations as well as Plunket.	

#### Option 2 – Status Quo

Criteria	Advantages	Disadvantages
Community		Doesn't assist Te Whai Community
Financial		Plunket's lease is limited in its requirements for Plunket to meet all costs of operating the building.
Social		Restricts use of the building to one organisation for the next 10 years.

The recommended option is **Option 1**.

## Policy and planning implications

Councils Community Assistance Policy provides that where a new occupation of Council land or buildings is approved that the tenure is provided by way of Licence to Occupy.

## Financial implications

The building is leased to Plunket for \$5 per annum. A new LTO would provide for an initial peppercorn rental but with the standard LTO condition providing for a transition to a higher rent should Council's policy change.

## Risks and mitigations

The financial risk to Council can be mitigated by the requiring Plunket to meet all costs associated with the preparation and negotiation of the Deed of Surrender of lease.

Legal risks will be mitigated by careful following of due process and having any surrender documents reviewed by Council's Solicitors.

Any risk to Council's reputation would be mitigated by making a decision in the best interests of Council's ratepayers and the wider community

## Significance and engagement/Hirahira me ngā whakapāpā

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda on the website.

## Next steps/E whaiake nei

Preparation of Deed of Surrender and Licence to Occupy Documents and then execution of the same by all parties.

## Attachments/Ngā tapiritanga

	Title
A	Information Supplied by Te Whai Community Trust