

REPORT 2
 (1215/53/IM)

GRANTING OF A FRESH PREMISES LEASE TO WELLINGTON COLLEGIANS CRICKET CLUB INCORPORATED

1. Purpose of Report

To seek the Committee's approval for the granting of a new lease over recreation reserve land at Anderson Park, on Tinakori Road, Kelburn.

2. Executive Summary

This report provides a description of the club requesting a lease and officers' recommendations to grant the lease.

The Leases Policy for Community and Recreation Groups (Leases Policy) provides guidance for the granting of new leases; this process includes assessing the organisation's strategic fit and level of sustainability. Officers have outlined how the proposed Lease fits the Council's strategies and priorities.

3. Recommendations

Officers recommend that the Committee:

1. *Receives the information.*
2. *Approves, subject to the conditions below, the granting of a fresh lease to the Collegians Cricket Club Incorporated, under the Reserves Act 1977:*

Location	Term	Annual Rental	Annual Maintenance Fee	Type of Lease
<i>Anderson Park, Kelburn</i>	<i>10 years + one renewal of 10 years</i>	<i>\$166 + GST per annum</i>	<i>\$504 + GST per annum</i>	<i>Premises lease</i>

Any approval to grant fresh leases is conditional upon:

1. *Appropriate consultation with iwi;*
2. *The Lease being publicly notified in accordance with sections 119 and 120 of the Act and any approved Management Plan;*
3. *The Club reimbursing the Council for legal and advertisement costs;*
4. *There being no objections or sustained objections resulting from the consultation or notification.*

4. Background

4.1 Overview of the Community & Recreation Leases

The Council provides leases of land and/or buildings to a wide range of groups undertaking various activities. Leases are important to provide certainty for the Council and groups in regard to their property obligations and to provide a framework for asset management.

4.2 Strategic Context and Direction

The lease renewal process provides the Council with an opportunity to evaluate a group's community value and contribution to the various Council strategies and policies relevant to recreation and community groups. These strategies and policies are:

- Social and Recreation Strategy
- Environmental Strategy
- Leases Policy for Community and Recreation Groups
- Reserve Management Plans (such as the Town Belt Management Plan)

Social and Recreational Strategy

This strategy aims to build strong, safe and healthy communities for a better quality of life through a robust social infrastructure, including provision of facilities. The Council has committed to provide greater leadership to foster a high level of social cohesion and community participation.

The Social and Recreational strategy encourages collaborative partnerships with our recreation and sports groups to ensure the best delivery of services and programmes and maximise use of amenities and resources.

Environment Strategy

Sport, recreation and community group leases also fit within the context of the Environment Strategy, which emphasises sustainable development and the protection and enhancement of our natural environment. The Strategy recognises the inter-relationship between social and cultural well being and the environment. It aims to make Wellington more liveable, where our natural environment is more accessible to all for a wide range of social and recreation opportunities while not compromising our environmental values.

Recreation Policy

The Recreation Policy identifies quality recreation and leisure opportunities enhance the city as a place to live and visit, and contributes to community well-being. It aims to offer a diverse range of accessible and affordable recreation activities, enhance the contribution of recreation events to the city's economy, and encourage an increase in participation.

The Council understands that recreation is provided to a wide section of the population via organisations like sports, recreation, and community groups. The Council plays a pivotal leadership role and aims to establish strong partnerships with these organisations and groups to provide recreation opportunities for the city's people.

Leases Policy for Community and Recreation Groups

The Leases Policy also reinforces Council's significant role in fostering the well-being and strength of communities by facilitating networks, providing recreation opportunities and supporting community facilities. The objectives of the Leases Policy are to:

- strengthen communities through leasing land and buildings to groups;
- ensure that the provision of leases is fair, equitable and responsive to community needs; and
- formally standardise the requirements of the lease.

The Leases Policy outlines the process for a new lease and lease renewal. It calls renewing a lease a fresh lease. The process is outlined in Section 4.4.

Combined Management Plan, which includes Wellington Botanic Garden, Anderson Park, and Bolton Street Memorial Park

The Combined Management Plan supports providing a range of indoor and outdoor facilities suitable for recreational and leisure activities, specifically for established sport codes. After extensive public consultation in the 1990s it was accepted that the full-size cricket/soccer ground would remain at Anderson Park, and is formalised under section 3.12 of the Combined Management Plan.

4.3 Assessment of fresh leases

Fresh leases are those where the current lessee is seeking to renew the existing lease. The Council recognises that most groups have made investments in assets and this is a key consideration in the evaluation of a fresh lease. The process for a fresh lease is as follows:

1. Applicant provides Council officers with relevant information including financial information, historical patterns of use, and future prospects.
2. Officers evaluate information and assess whether the group will be sustainable (membership numbers and financially), their activities are consistent with the Council's strategic direction and objectives, and consider their previous lease performance. Unless there is breach of the lease or the criteria are not met, a fresh lease is offered.
3. Communicate officers' decision to the applicant. If a fresh lease is recommended then the officer negotiates lease tenure, rental and terms and conditions.
4. Seek approval in principle from Regulatory Processes Committee.
5. Public notification following the Reserves Act process.

6. If all approvals are granted and no objections are sustained, lease documents will be prepared.

4.4 Lease Agreement and Documentation

The Lease Policy provides guidance and a framework for the lease agreement process and documentation. This includes lease rental and tenure, procedural matters, and the responsibilities and requirements of the lessee and the Council.

The Council offers ground leases and premises leases to community groups. Some groups own their own building and are responsible for its maintenance and insurance. In these cases the Council can offer a ground lease, which is a lease for the land only. Groups that lease Council owned buildings are granted a premises lease. These groups lease both the land and the Council owned buildings on the land, they pay a maintenance fee to the Council for their share of the external maintenance costs.

Leases offered to community groups are a standard format in accordance with Leases Policy and Committee's resolution of 7 February 2007. The standard leases cover the following terms and conditions:

- reporting requirements
- allocation of responsibilities between lessee and lessor
- payment of rates, water and other utilities
- maintenance of buildings, structures, vegetation and land
- insurance
- subleasing
- granting security against a lease
- termination of leases
- external signs
- external commercial advertising within leased areas.

4.5 Term of Lease

In accordance with the Leases Policy the standard tenure for leases is ten years and one further term of ten years (the renewal). The standard term for a lease on Town Belt is 10 years with no automatic right of renewal.

However, there are occasions where it is appropriate to use a degree of flexibility in the term of a lease. This flexibility is at the Council's discretion and is designed to allow Council to respond to changing community needs and expectations. The reasons a shorter or longer term may be offered are limited to the following circumstances:

Table 1: Reasons for a shorter or longer term may be offered.

Shorter Tenure	Longer Tenure
Declining trends in an activity	Recognition of past asset investment
Evolution of activities that will compete for assets	Proposed asset investment
Alternative uses are planned by the Council for the lease asset (for example, demolition of the buildings in a number of years)	To provide certainty for external funding purposes
Life expectancy of facility/ assets is less than lease tenure	Dependence by community or membership on continuity of a key activity
Group asks for a different tenure	

4.6 Monitoring and Reporting Requirements

The Council is interested in the ongoing performance of sports, community and recreation groups so it can monitor the achievement of strategic objectives for the city. The reporting requirements in the lease are not intended to be a control mechanism, rather a means of communication between the groups Council. Reporting generally includes the requirement for:

- Membership numbers and usage rates
- Community events run through the leases
- Financial information

4.7 Relevant Demographic Trends

Cricket participation in the Wellington region has increased over the last 5 years, has increased (overall) steadily in the last 20 years. ¹

Junior cricket continues to enjoy significant growth, due to a comprehensive structure that promotes cricket among primary schools and services junior club cricket to a high standard. Primary school tournaments remain a key tool in ensuring a high profile for cricket in Wellington. A number of open day initiatives were also well received and will become an annual feature of the summer calendar. ²

Youth cricket programmes remain a significant operational task, where much of the effort falls to local sports clubs or schools. Results were mixed, and further refinement of such programmes is needed.

Women's cricket has suffered a little in recent seasons from a lack of leadership, and the result of this is declining youth numbers. The appointment of a Women's Coordinator by Cricket Wellington Inc will provide a good deal of clarity and attention for the women's programme. ³

¹ 2007-2008 Cricket Wellington Annual Report, pg 62

² 2007-2008 Cricket Wellington Annual Report, pg 62

³ 2007-2008 Cricket Wellington Annual Report, pg 63

Over the 2007-08 summer nearly 60,000 Wellingtonians attended the three international matches hosted at the Westpac Trust Stadium – the highlight being the test match against England. Fantastic weather and a large contingent of English supporters resulted in the highest match attendance in Wellington in over a decade.

Karori Park emerged as a potential first class venue last season, as a result of extensive renovations. Wellington City Council is working closely with Cricket Wellington, NZ Cricket and the Karori Cricket Club in an effort to bring the park up to a national and international standard. During the season Karori park successfully hosted State Wellington Blazes matches, the North Island Secondary School Girls tournament, and a Firebirds match.

5. Discussion

Wellington Collegians Cricket Club Incorporated

History	<p>The Wellington Collegians Cricket Club was originally formed in 1849 as the Wellington Cricket Club. In 1970 the club amalgamated with the Wellington College Old Boys. The Wellington College Old Girls Club also amalgamated with the club in 1976 and this led to the club's current name.</p> <p>For many years the Club used rooms at the Basin reserve. In 1960 the club approached Council about a joint venture at Anderson Park, which eventuated in 1968.</p> <p>New Zealand representatives such as Martin Crowe, Bert Vance, James Franklin, Fiona Fraser, and Penny Kinsella have trained with the club.</p> <p>The current lease expired in 2007 after which time the club remains bound by the terms and conditions of the prior lease on a periodic basis.</p>
Background	<p>The Club's key objective is to encourage the playing of cricket through providing clubrooms, training grounds and cricket (bowling) nets.</p> <p>The Club operates year-round; playing occurs from Spring through to Autumn, forward planning for the following year happens in Winter. The club allows casual hire during the year.</p>
Term	<p>10 year lease plus one renewal of 10 years. This term is in accordance with the standard term outlined in the Leases Policy.</p>
Rental	<p>\$166 + GST annually. The Club is charged separately for the use of the grounds and cricket nets.</p> <p>The club is also charged a maintenance fee of \$504 + GST annually. This is to contribute toward the cost of maintaining</p>

	the exterior of the building, which the Council is responsible for.	
LTCCP Implications	The granting of a fresh lease to the Wellington Collegians Cricket Club Inc. is in alignment with the Social and Recreational Strategy.	
Strategic Fit	Contributes to More Active and More Liveable Outcomes.	
Club Sustainability	Membership	600
	Financially viable	Yes
Terms & Conditions of Previous Lease met?		Yes

6. Conclusion

Officers recommend that the Committee exercises its delegated authority to approve the granting of a new lease to the Collegians Cricket Club, subject to the conditions identified in section 3, (Recommendations).

Contact Officer: *Heather Cotton, Property Advisor, Community Purpose, Property Services*

Supporting Information

1) Strategic Fit / Strategic Outcome

The Leases Policy supports Council's overall vision of Creative Wellington – Innovation Capital. This fresh lease supports Council's activities as a facilitator of recreation partnerships and provider of recreation services. Agreement to the granting of a fresh lease will contribute to Council meeting the outcome of offering a diverse range of quality recreation and leisure activities (see outcomes 6.1-6.5 Social and Recreation Strategy).

2) LTCCP/Annual Plan reference and long term financial impact

This report recommends a fresh lease with Collegians Cricket Club Inc which is consistent with the Council's LTCCP in regard to Strategy 6: Social and Recreation.

All costs associated with preparing the new Lease are met by the Lessee. A maintenance fee is levied against the Lessee in order to mitigate the ongoing costs of maintaining the building.

3) Treaty of Waitangi considerations

Iwi will be consulted.

4) Decision-Making

As the lease in question is a fresh lease for the same size footprint and required use as previously, decisions regarding Leases over the land are delegated to the Council as Local Authority.

5) Consultation

a) General Consultation

The Council will call for submissions as required by the Reserves Act 1977.

b) Consultation with Maori

Iwi will be consulted as required by the Reserves Act 1977.

6) Legal Implications

Council's lawyers will be consulted during the development of a solicitor's certificate.

7) Consistency with existing policy

This report recommends a fresh lease with Maranui Surf Lifesaving Club (and café) which is consistent with the Council's LTCCP in regard to Strategy 6: Social and Recreation. Directly related to:

- More livable
- More actively engaged
- Better connected
- Healthier.