
Licence Agreement: Ngulingah Local Aboriginal Land Council - Level 2, 218-232 Molesworth Street, Lismore

Responsible Officer: General Manager (General Manager)

Recommendation

That Council receive and note the contents of this report.

Background

Council resolved [71/22] on 19 October 2022 as follows:

1. *Agree to not sub-let the former NRMA space on Level 2 Molesworth Street for the remainder of Rous' approximate 18 months on the site.*
2. *Approve the use of a portion of the budget allocation for the former RCEIC for 2022/23 to establishing this new space in the shopfront area on Level 2 as an engagement space across Rous's respective service delivery areas.*

Ngulingah Local Aboriginal Land Council ('Ngulingah') subsequently reached out to council to seek the use of the former NRMA space on level 2 of the Administration building as their own premises in Lismore were significantly damaged in the February/March 2022 floods and remain unusable.

This request was received and considered in the same way as the request from Ballina Shire Council for the flood distribution hub in the information building at the Gallans Road site.

Proposed non-exclusive licence

An 'in-principle' agreement has been reached for the occupation of the back portion of the area previously occupied by NRMA and Richmond Water Laboratories (RWL) by Ngulingah under a non-exclusive licence arrangement.

As the proposed arrangement is for the non-exclusive use of the premises and will not impact on the availability of the shopfront area for an engagement space, staff have assessed that a licence agreement, as opposed to a lease, would meet Ngulingah's particular needs without disrupting the effect and intention of the October 2022 resolution.

It is anticipated that the licence fees generated from this arrangement will offset the gap in expenses associated with restoring the space to its pre-flood condition. The licence will also provide for a contribution from Ngulingah towards the costs of maintaining the shared facilities on Level 2 of the building.

The licence will be drafted to ensure that the term of the agreement aligns with Rous' head lease so that it will expire upon Rous' relocation to Gallans Road in late 2023/early 2024.

Governance

- **Integrated Planning and Reporting**

Ref	Delivery objectives	2022-23 actions	What is being measured	Target	Who
4.1	Be recognised for leadership in what we do				
4.1.1	Embed reconciliation in Rous's culture through its people and partners.	Undertake scheduled 2022-23 actions of the Reconciliation Action Plan.	% of scheduled actions completed.	At least 90%.	Catchment and Cultural Awareness Manager.

- **Finance**

The 2022/23 forecast rental income for the old NRMA and RWL spaces is \$76,000 per annum.

A recent review of the market estimated expected rental income of the space at \$60,000 per annum.

Staff are negotiating a licence fee with Ngulingah of approximately 70% of the current market rental estimate plus outgoings.

This amount is considered appropriate given the relatively short term of the licence and the need for Ngulingah to meet any initial establishment costs.

- **Legal**

Contained in the body of the report – a licence conveys a contractual right for the non-exclusive occupation of the premises compared to a lease which conveys an exclusive interest in part of the land.

Consultation

Consultation has occurred between relevant Rous staff and Ngulingah staff, as well as the building owner. As the licence is a short term, non-exclusive use, no additional external consultation was deemed necessary.

Conclusion

The use of the former NRMA and RWL spaces is consistent with Rous' position in supporting other organisations with post flood recovery. The licence fees generated will assist in meeting the shortfall in repair and reinstatement costs, and provide much needed practical assistance to Ngulingah.