

Draft heads of terms for grant of Lease

For Mission Theatre, Corn St, Bath

1 Initial information

1.1 Type of lease: Head lease

1.2 Landlord

Name of landlord: B&NES

Correspondence address: Civic Centre Keynsham

1.3 Tenant

Name of tenant: Next Stage Theatre Company (NSTC)

2 Premises and rights

2.1 Description of the premises

The Mission Theatre is a 200 year old Grade II listed building opposite Avon Street Car park in the centre of Bath. It was originally built as a Catholic Chapel and has had various uses until 2004 when the Next Stage Theatre Company (NSTC) became leaseholders to a theatre.

Building as shown outlined in red on the attached LR title plan

2.2 Rights

Detailed description of any special rights being granted: None

3 Length of term, renewal rights and break rights

3.1 Lease length and start date

99 years commencing on lease completion date

3.2 Landlord and Tenant Act 1954 protection

Lease to benefit from the protection of the 1954 Act: No

3.3 Options to renew

(a) Any option to renew: No

3.4 Break rights

(a) Any break rights: No

4 Rent deposits and guarantees

4.1 Rent deposits

(a) Rent deposit required: No

4.2 Guarantors

(a) Guarantor required: No

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5 Rent and rent review

5.1 Rent

£ 15603 per annum exclusive of VAT

Payment dates: quarterly in advance

5.2 VAT

Will VAT be charged on the rent and other lease payments: Yes

5.3 Rent-free period

(a) Rent-free period: No

Details of any other incentives:

The rent will be abated to a peppercorn subject to the tenant providing sufficient community benefits as agreed with the landlord and satisfying that they have:

- A clear vision for the future use of the building or land.
- Prepared a financially viable business case.
- Good governance, robust financial systems and up to date policies and procedures
- A proven track record of successfully managing a community building or land, or have trustees or board members that have community and voluntary sector experience
- Contributed towards the Council's Corporate priorities.
- A clear community/social demand for the proposal.
- Directly benefiting as wide and diverse a range of local people as possible.
- An appreciation of the current Health & Safety and Fire Safety legislation.
- An understanding of Equalities legislation, including the Equality Act in relation to the accessibility of public buildings and the delivery of services
- An annual report will be submitted to B&NES providing information that will satisfy the landlord that the conditions continue to be complied with.

In the event the building ceases to provide the community benefits the rent will revert to the reserved rent subject to review upwards only every five years.

5.4 Rent reviews

(a) The lease includes rent review provisions: Yes

(b) Basis of review: RPI upward only. Base index at date of exchange.

(c) Reviews every 5 years

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6 Assigning, subletting, charging and sharing

6.1 Requirements before alienation can take place :

It may be permissible to assign or sublet the lease to another charitable organisation with similar aims, subject to absolute consent of B&NES.

Hiring out of space is permitted providing that no landlord and tenant relationship is created.

7 Services and service charge

7.1 Is a service charge payable?

(a) Service charge payable: No

8 Repairs

8.1 Repairing responsibilities

The tenant is to be responsible for keeping the building in good and tenable condition throughout the term of the lease and to yield it up in this condition at the end of the term. NSTC is to carry out a survey to satisfy themselves as to the obligations they are taking on.

8.2 Schedule of condition/hand back specification

(a) Schedule of condition to be completed: No

9 Use and alterations

9.1 Permitted use

(a) Permitted use: As a theatre and performance space that delivers community benefits.

9.2 Alterations

(a) Landlord's control over alterations:

No alterations permitted to the structure or exterior of the premises without the consent of the landlord (such consent not to be unreasonably withheld). Internal non-structural alterations permitted, details of which to be notified to the landlord in advance.

(b) Tenant to hand back the property to a pre-stated specification: No

(c) Tenant to remove all alterations at lease end: No

(d) Tenant to remove alterations at lease end if the landlord reasonably requires: Yes

10 Insurance

10.1 Liability for insurance costs

(a) Tenant to insure the property: Yes

(b) Terrorism to be an insured risk: Yes

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11 Other issues

11.1 Rates and utilities

(a) Responsibility for paying business rates: tenant

11.2 Legal costs

(a) Each party to pay own legal costs.

11.3 Conditions

Completion of the lease conditional on:

(a) Board approvals

(b) Other: Single Member Decision for approval of Community Asset Transfer

No contract

These heads of terms are subject to contract.

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