

Single Member Cabinet Decision

**Executive
Forward Plan
Reference**



E2846

Abbey Chambers Lease Agreement

Decision maker/s	<p>Cllr Patrick Anketell-Jones Cabinet Member for Economic Development</p> <p>Cllr Charles Gerrish Cabinet Member for Resources</p>
The Issue	<p>It is proposed to grant a lease to Bath Abbey for the basement of Abbey Chambers and the vaults adjacent to the Abbey currently leased from the Council to the Abbey for use as a heritage centre, for 150 years at a market rent, but abated to nil.</p> <p>The lease will be tied to a Building Agreement that will require the Abbey to carry out the proposed works in accordance with agreed plans set out in 2.3.</p> <p>This will require cabinet approval to authorise the Chief Property Officer to deal with the disposal of the asset because there are no current delegations or resolutions to allow such a transfer to take place at less than best consideration; best consideration being based on market values.</p>
Decision Date	<p>11 May 2016</p>
The decision	<p>The Cabinet Member agrees that:</p> <ul style="list-style-type: none">• The Chief Property Officer be authorised to enter into an agreement for lease with Bath Abbey on the basement of Abbey Chambers.• The lease reserves a market rent which is abated to nil, subject to the tenant satisfying the landlord of the following: <p>(1) The Tenant shall ensure that reasonable toilet facilities in the Property (reasonably agreed with the Landlord) are available free to the public at all times that the Bath Abbey is open to the public which will be not be less (on average) than six days a week. The only exception being when the conducting of church services in the Bath Abbey precludes the access of the general public to the toilets. The Tenant shall provide signage to the toilets as reasonably approved by the Landlord.</p> <p>(2) The Tenant shall ensure that it operates a museum in the Property and / or Bath Abbey that provides a good general history of Bath in the medieval period (not just Abbey history) and that the museum is available free to the public at all times that the Bath Abbey is open to the public which will be not be less (on average) than six days a week. The only exception being when the conducting of church services in the Bath Abbey precludes the access of the general public to the museum. The museum must be to the reasonable satisfaction (in terms of size and content) of the Landlord's nominated museum</p>

	<p>officer. The Tenant shall provide external (if possible) and internal signage to the museum as reasonably approved by the Landlord and publicise the museum, particularly emphasising that access is free. {Based on Recommendations from the covering report}</p>
Rationale for decision	<p>The Bath Abbey Footprint project will have a significant economic impact on the City. Additional visitors are expected to provide an additional spend of approximately £2.7million in the local economy, generating up to 50 jobs in the tourism industry of the City.</p> <p>The scheme therefore provides a significant overall benefit, both to the Abbey itself in terms of the quality of their offer, but also the wider economy of the City, maintaining Bath as a premier destination.</p> <p>The Council has no approved budget to deliver any further public toilets or a museum of medieval history. This lease provides a cost effective means of providing these facilities to benefit residents and visitors.</p>
Financial and budget implications	<ul style="list-style-type: none"> • The potential market value of the basement has been calculated to be £16,500 pa exclusive of rates VAT, service charges (if applicable) etc. • The value of a two cubicle public toilet, one fully disability compliant, 20p entry charge, hand wash/dry, baby-change, tiled floors and walls, remote monitoring and variable timed access, and including utilities, consumables, cleaning, servicing and maintenance, 364 days a year net (of income) costs approximately £14,000 per year. Assuming the Abbey will be able to provide the service 75% of the time this equates to cost avoidance to the Council of £10,500 pa. • Based on the admissions charge for a small specialist museum and assuming circa 100,000 visitors a year and 6% of turnover for rent, alongside restricted opening times and size limitations, it would be reasonable to calculate equivalent cost avoidance to the Council of £6,000 pa. • Together these offer benefits to the Council and residents at least equivalent to the market value of the lease. These benefits are not part of an approved Council Strategy or budget and therefore represent growth avoidance against new/extended service provision, rather than savings against an approved budget. • In the event that the Abbey cease to provide either or both of the toilets and the museum functions the discount to the rent would cease, at which point additional income would be generated that, if required, could be used to re-site those facilities. • Currently the basement of Abbey Chambers is occupied by organisations funded by the Council and the Council therefore receives no net income from the basement. • There would therefore be no net change, either cost or income, to the financial position of the Council. • The Abbey will be responsible for all public liability and other insurances relating to the provision of the services set out in 2.3
Issues considered (these are covered in more detail in the report)	<p>Social Inclusion; Customer Focus; Sustainability; Property;</p>

Consultation undertaken	Cabinet colleagues; Staff; Other B&NES Services; Section 151 Finance Officer; Monitoring Officer
How consultation was carried out	Officer steering groups; internal circulation of report
Other options considered	<ul style="list-style-type: none"> • For the Council to pay for a public toilet and a museum of medieval history: Neither the additional toilets nor the museum form part of an approved Council strategy or budget. Their provision as part of the Abbey Project therefore provides a cost effective means of providing these additional services in Central Bath which would otherwise not be delivered. • Not to provide the lease. This would add additional risk into the Abbey's ability to deliver the whole project and access the HLF grant. • Requiring a cash lease: This would reduce the Abbey's ability to put funds that have been raised into the delivery of the Footprint project.
Declaration of interest by Cabinet Member(s) for decision, including any dispensation granted:	<i>The nature of interest and whether interest is a disclosable pecuniary interest or an-other interest, including any conflict of interest, (as defined in Part 2, A and B of the Code of Conduct and Rules for Registration of Interests). Any Member who needs to clarify any matters relating to the declaration of interests is recommended to seek advice from the Council's Monitoring Officer or a member of their staff before taking the decision.</i>
Any conflict of interest declared by anyone who is consulted by a Member taking the decision:	

Signatures of Decision Makers	 
Date of Signature	16/5/16

Subject to Call-in until 5 Working days have elapsed following publication of the decision

