

Community Asset Transfer – Mission Theatre Assessment

Date Application received	Final Business plan submitted October 2020.
Contact person	Ann and Andrew Ellison, email: nextstagebath@aol.com
Name of organisation	Next Stage Theatre Company – The Mission Theatre
Registered office address	The Mission, 32 Corn Street, Bath, BA1 1UF
Registered website address	http://www.missiontheatre.co.uk/
Details of asset	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, in the 19 th century was a protestant place of worship. During the 2 nd World War was used by Air Raid Wardens and others and then taken over by The People’s Mission until 1998. The Next Stage Theatre Company took a lease in 2004. The theatre offers a space for up to 150 people and upstairs bar area which is also used for smaller performances, back stage area, changing rooms and small office.
Assessment	29 th October 2020, 11.45pm Attendees: Sara Dixon (Communities), Louise Murphy (Equalities), Richard Howroyd (Procurement), Dave Dixon (Communities), Mark Hayward (Communities). Apologies - Keith McCombie (Property Services), Rob Dawson (Economic Development). Updated 4 th December 2020 and 8 th February 2021

Evidence and supporting documentation

Have the following documents/ information been received / provided	Comments
A completed business plan	A 5 year Business Plan has been received.
Details of Charity Number / Company Registration No	Registered Private company limited by guarantee without share capital (no. 04836274) – Companies House details here .
Date of Registration	Incorporated on 17 th July 2003 see details here .
Legal status	Private company limited by guarantee without share capital here . 2 Officers appointed.
Copy of the Governing documents	Incorporation details found on Companies House website .

Copies of Audited Accounts	Financial history can be found on Companies House website and unaudited accounts received July 2019.
Copies of insurance documents	Received - Products, Public liability and Employers Liability £10mill, Cancellation Policy, Personal accident, Material damage (separate amounts). See policy document Appendix 7 First Night Insurance (Zurich Insurance).
Other supporting documentation such as annual reports, minutes of meetings.	None.
Results from any community consultation exercises	A copy of a number of partner and stakeholder endorsements have been received – Appendix 3.
Evidence of support from key partners, stakeholders, funders	As above.
Copies of the all the organisations policies and procedures including the Health and Safety Policy and Equality and Diversity Policy	The following policies have been received:- <ul style="list-style-type: none"> • Fire and Emergency procedure (Appendix 5) • Health and Safety Policy (Appendix 5) • Child Protection Policy (Appendix 5) • Equality and Diversity Policy (Appendix 5) • Risk Assessment (Appendix 5)
Three / Five Year Income and Expenditure Template	Five year project costs have been received and detailed in Appendix 9.

Council Corporate priorities

Criteria	Comments
Has the organisation demonstrated that it meets at least one of the Council's Corporate priorities?	<p>Their aims and objectives set out in their proposal meet the following Council's new Corporate Strategy objectives by preparing for the future and focussing on prevention. See page 9 of the Business Plan.</p> <p>The transfer will enable investment into the fabric of the Grade II listed building and creation of new job opportunities and community activities.</p>

Governance and Management

Criteria	Comments
Is the organisation clearly defined and established?	Next Stage Theatre Company was set up in 2003 and has managed the Mission Theatre since 2004.

Does the organisation demonstrate through its governance arrangements community benefit?	The aims and objectives of the Company are “ <i>The aims and objectives noted within Next Stage’s incorporation are: “to perform as an amateur theatrical group and become involved in any related activities to further related charitable causes, both locally and nationally....”</i> ”
Do they hold AGM or similar?	Next Stage do not hold AGMs, however they have a Steering Group made up of seven members, who meet three times a year, and input into a wide variety of issues. See page 6 & 7 and 20 of the Business Plan.
Is the staffing and management structure been clearly defined?	The Business Plan section 6 Resources sets out the details of the paid staff and roles of volunteers and the line management and structure of the organisation. See page 14 & 15– Staffing and volunteer resources.
Does the organisation have up to date and written procedures covering: <ul style="list-style-type: none"> • Recruitment and Induction • Training & Development • Health & Safety • Equality and Diversity • Safeguarding • Disclosure Barring Service Checks • Grievances / complaints 	The following policies have been received:- <ul style="list-style-type: none"> • Complaints Procedure • Data Protection Policy • Disciplinary process • Equality and Diversity Policy • Child Protection Policy
Does the organisation have sufficient insurance policies in place?	Products, Public liability and Employers Liability £10mill, Cancellation Policy, Personal accident, Material damage (separate amounts). See policy document Appendix 7 First Night Insurance (Zurich Insurance).

Equalities

Criteria	Comments
Has the organisation demonstrated an understanding of the Equality Act 2010 and how it would be applied?	A copy of the Equality and Diversity Policy has been received. The policy is very employee and volunteer focussed, more emphasis should be made to the customer, however Section 8 in the Business Plan (Page 18) provides some examples of how they are implementing their policy examples include offering a drinks service which has been extended to respond to COVID, Walk around and touch service for visually impaired. Concessions are applied to some performances and a Pay What is worth scheme has been introduced for some years.

Financial arrangements

Criteria	Comments
Has the organisation submitted a three / five year detailed income and expenditure budget that demonstrates their project is financially viable and sustainable?	A five year cash flow has been received and detailed within Appendix 9. The organisation has a limited number of paid staff and its members, are also volunteers in various roles across the company. This has kept their ongoing running costs to a minimum.
Has the organisation demonstrated that they have a good financial track record or have the necessary processes and procedures in place?	A summary of Next Stage Theatre Company Financial history since 2003 can be found here on the Companies House website . See also Financial Statement July 2019 Appendix 1. They have managed the Theatre for 16 years, and paid rent of approx. £15k to the Council. They have submitted a full list of organisations policies and procedures.
Has the organisation demonstrated various sources of funding eg, CiL, contracts, fundraising, grants?	<p>The majority of income is generated from room/rental hire and bar surplus as well as undertaking fundraising activities to support the activities. For the capital works, Next Stage will seek donations from local donors and grant funding.</p> <p>It is recommended that Next Stage Theatre explore whether a charitable organisation or Friends of the Mission would benefit them in gaining further access to grant funding opportunities.</p> <p>Next Stage Theatre will generate income from a number of revenue streams which will enable the business plan and social benefits to be realised. Income is primarily generated from surplus Bar income, rental and room hire, income from show surpluses, income from NYC membership costs and other activities and fundraising and grants.</p>
Has the organisation included the costs of any improvement works and identified sources of funding. Are they considered reasonable?	An estimated cost for the external and internal works has been identified in the Cashflow – Appendix 9 and set out on page 16 of the Business Plan.

The Proposal

Criteria	Comments
Is there a clear vision for the future use of the building or land?	Next Stage Theatre have operated the premises since 2004 and have developed a well-established programme of arts based performances, local festivals and youth programme. Their ambition is to create new job opportunities to expand their youth programme, schools and community activities as well as adding additional venue space for increased performances.

Are the aims and objectives clearly defined?	As above, this is set out clearly in the Business plan.
Does the proposal clearly define the activities that will take place?	As above. Details of the activities are described on pages 7 & 8 of the Business Plan.

The Asset

Criteria	Comments
Is the asset suitable to use for the organisations proposal?	This is demonstrated within the Business Plan section 3 Vision page 7. Currently a Council tenant and held current lease for 16 years. They wish to apply for a CAT for 99 years.
Has the organisation demonstrated a full understanding of their duty in relation to managing the building or land including: Condition, Suitability, Accessibility, Health & Safety, Planning restrictions, Other	Next Stage Theatre have a good track record of managing the asset and using existing skilled staff and volunteers to support the operations and running of the theatre. See more details set out on page 16 & 17 of the Business Plan, Managing the building. Also copies of the following company policies have been submitted:- <ul style="list-style-type: none"> • Fire and Emergency Procedure - Appendix 5 • Terms and Conditions of Hire – Appendix 8.
Has the organisation given comprehensive details of all proposed works that are intended to be carried out, including indicate costs and means of funding these and are these realistic?	Details have been set out on page 16 & 17 of the Business Plan and within the Cashflow statement Appendix 9.
Has the organisation demonstrated it has the skills and capacity to manage the asset and deliver the proposal?	As above and demonstrated in the Business Plan.

Impact of COVID-19

What has been the impact of COVID-19 on the organisation?	Next Stage Theatre has been closed since the end of March. They have successfully obtained COVID-19 grants to assist them in meeting their outgoings whilst at the same time maintaining their cash reserves. A member of staff has been furlough and they have made investments in PPE, protective screens and fogging machine. The current situation and the uncertainty of future COVID-19 lockdowns both nationally and locally make it incredibly difficult for the any performing arts space to operate with some financial stability. However their strengths are that their staffing costs and overheads are lean and their ability to raise funds has been evidenced within their business plan. As a small organisation they are extremely flexible and adaptable when faced with difficult circumstances.
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Community benefit

Criteria	Comments
Has the organisation set out the needs of the community?	This has been demonstrated in Section 4 needs and benefits within the Business Plan – page 9 - 11.
Has the organisation undertaken consultation with the community?	Next Stage Theatre have engaged their members and key stakeholders on their proposals. The Steering Group play a key role in inputting into the vision. Engagement with local schools has already taken place.
Has the organisation demonstrated that they have an inclusive approach to meeting the needs of a wide range and diverse community?	See page 18 of Business Plan which includes examples of how they are implementing their policy.
Has the organisation demonstrated the social, economic and environmental impacts? (see outcomes/impact table)	<p>The Social, Economic and Environmental benefits have been set out in the Business Plan on pages 12 – 13. These have been calculated based on the actual cost of the activities and volunteer estimates in Appendix 4 social and economic benefits and summarised below:-</p> <p><u>Volunteering over 5 years £289,504.00</u></p> <ul style="list-style-type: none"> • Volunteering costs £57,900.80pa, total over 5 years <p><u>Current activity delivered over 5 years £21,922</u></p> <ul style="list-style-type: none"> • Next Stage Youth costs - £15,322 • Pay What its Worth - £6,600 <p><u>New community activity over 5 years £147,927.60</u></p> <ul style="list-style-type: none"> • New job opp - £30k in first year and then £14k thereafter 1.8 full time equivalents (3 posts) total over 5 years £86,000 • New group Junior Next Stage Youth cost £15,322 • New schools outreach programme cost £38,100.60 • Literary café – activity cost £8,505 <p><u>Capital Improvements total £110,000 year 2</u></p> <ul style="list-style-type: none"> • Improvements to the building - £110k - Investment to the external fabric and installation of new lighting - £110k <p>The panel considered the social and economics benefits in comparison to the council delivering these services. It was felt that the costs would be considerably more if the council were to deliver them either in-house or as a commissioned service. Therefore it was felt that they had provided sufficient evidence and costs were deemed reasonable as set out in their business plan and associated documents.</p>

Assessment of disposal at less than Market value

Criteria	Comments
<p>Assessment of disposal at less than market value</p> <p>The assessment requires:</p> <ul style="list-style-type: none"> • a full valuation exercise is undertaken which identifies the maximum theoretical Market Value for the asset to be transferred. • calculation of the reduced values that apply because of any restrictions that the Council applies relating to things such as use, alienation, clawback, etc. • the value added to the Council through the outcomes of the transfer has been assessed and found to be not less than the difference between market value and the actual price to be paid. 	<p>A valuation was undertaken by Chartered Surveyor, James A Baker and provided the following details</p> <p>The open market unrestricted value is £695,000 for a long-term lease of 99 years.</p> <p>The restricted use imposed on the leasehold interest will reduce the value to £152,500. The difference is £542,500.</p> <p>The benefits achieved from this proposal come from economic and social benefits related to new employment opportunities, youth activities, school outreach programme, community activities and volunteering. These benefits have been estimated at £459,353.60.</p> <p>In addition, NSTC has identified the need for capital works valued at £110,000 which they have set out in their business plan. This transfer will result in avoidance of future liabilities for the council.</p> <p>This provides an estimated total benefit of £569,353.60 over the period of the 5 year business plan.</p>