

Full Council

Date:	22 January 2019
Title:	Extension of Museum Lease
Contact Officer:	Graham Hunt, Town Clerk

Purpose of the Report

1. The purpose of this report is to provide background on the request from the Thame Museum Trust for their lease to be extended.

Background

2. Following long and complex negotiations, Thame Town Council entered into a 25 year lease with Trustees of Thame Museum in April 2007.
3. Thame Museum Trust made a formal request to extend the lease on 2 November 2018. The trust is seeking funding for an extension to the museum building and it would be helpful if the lease had more than the current 14 years remaining.
4. The Town Council is in support of the proposed building extension.
5. There are some cosmetic changes also requested to the lease to reflect the current "Charitable Incorporated Organisation" (CIO) status.
6. The Town Clerk has asked its specialist solicitor for a quote as follows:
 - a) To review the lease for accuracy / up-to-dateness / relevance / possible improvement
 - b) To provide advice on an appropriate revised lease term
 - c) To renew the lease to reflect that new term and the CIO status (and any other agreed changes as a result of (a))
7. The solicitor has stated that a 99 year lease would be appropriate, provided there is some tightening of the repairing obligations and perhaps enabling some less restrictive / community use. A longer lease will also require rent reviews, even if the intention is to remain at a nominal rent only.
8. The current quote for legal work is in the region of £1,000.

Proposal

9. The Town Clerk is of the view that as long as there is some benefit to the Town Council in extending the lease, as well as to the museum, then it is appropriate for the Town Council to bear their costs of such a lease extension.
10. It is therefore proposed that the Council enters into relevant negotiations with the Thame Museum Trust, via the solicitor if necessary.

Resource Appraisal

11. The £1,000 or thereabouts would come from the 101/4056 Legal Expenses budget line.

Risk Assessment

12. The current usage of the building as a museum still seems appropriate, but committing to 99 years is a risk. There may be a better use for the building in that term, which may be difficult to achieve if a 99 year lease is granted.

Legal Powers

13. There are specific tourism related powers that could be applied, but the project is also covered by the General Power of Competence, Localism Act 2011.

Recommendation

The Council is recommended:

- i) To resolve to enter into discussions with the museum with regard to an extension and relevant update to their lease, at a cost of around £1,000 in legal charges.*