

	<h2>Assets Regeneration and Growth Committee</h2> <h3>12 December 2016</h3>
<p style="text-align: right;">Title</p>	<p>Barnet Museum, Wood Street, EN5 4BE</p>
<p style="text-align: right;">Report of</p>	<p>Director of Resources</p>
<p style="text-align: right;">Wards</p>	<p>High Barnet, Underhill, East Barnet</p>
<p style="text-align: right;">Status</p>	<p>Public</p>
<p style="text-align: right;">Urgent</p>	<p>No</p>
<p style="text-align: right;">Key</p>	<p>No</p>
<p style="text-align: right;">Enclosures</p>	<ul style="list-style-type: none"> I. Appendix 1 - Heads of Terms II. Appendix 2 – Lease Plan III. Appendix 3 – Extract from Barnet Record Society Meeting 7th February 1938. IV. Appendix 4 – Evidence of National Accreditation V. Appendix 5 - BMHLS Strategy Paper 2016 Update
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Summary

The Barnet museum is being managed by the Barnet Museum and Local History Society (BMLHS), which is a voluntary organisation with Charitable Trust status and therefore regulated under that Charities Act. The BMLHS were initially the Barnet Record Society, and are currently managing the building and grounds, with the day to day building and running costs provided by various sources from within the BMLHS.

The Barnet Museum will given its age and location, require maintenance and investment to preserve and enhance the condition of the property over time. The building is used solely as a museum and was in effect donated to the Barnet Record Society in 1938 in perpetuity for that purpose. The Museum has also recently gained national accreditation. As a result, it is inappropriate to classify it as a community asset per se.

The recommendation of this report is to remove the property from the Community Asset Strategy and to obtain an in principle agreement to offer the BMLHS a 125 year lease of the building and the grounds within which it resides, at a peppercorn rent.

Such an agreement will be subject to a number of conditions to protect and preserve the property and to provide benefits to the community, and to maintain the property to a good state of repair, which will be economically advantageous for the Council and the wider community in the long term.

Recommendation

- 1. That the Committee approve the removal of the Barnet Museum from the Community Asset Strategy.**
- 2. That the committee approve the granting of a new 125 year lease in accordance with the Heads of Terms attached in appendix (1) and on the principle and terms detailed in this report.**
- 3. That authority be granted to the Director of Resources and the Chairman of ARG Committee, to take any further steps necessary to effect the grant of the lease, to be made in accordance with the Management of Assets, Property and Land Rules.**

1. WHY THIS REPORT IS NEEDED

- 1.1 This report is needed to enable the Assets, Regeneration and Growth committee approve the removal of the Barnet Museum from the Community Asset Strategy.
- 1.2 To approve the proposed granting of a new 125 lease to the BMLHS in accordance with the Heads of Terms of Agreement appended at appendix (1)
- 1.3 To ensure the property no longer a financial burden to the Authority but also to enable the BMLHS to raise external funding that they cannot otherwise do, given the current arrangements.
- 1.4 The recommendations, set out in this report, will ensure that this asset, whilst leased to the BMLHS for 125 years, notwithstanding that the freehold is still retained by the Council, there will be a stringent forfeiture clause and various repairing clauses within the lease. These will be there to ensure that the asset is managed and maintained in an appropriate manner, and continues to benefit the wider community in the long term.

2. REASONS FOR RECOMMENDATION

- 2.1 The Community Asset Strategy (CAS) was agreed in July 2015, through Assets, Regeneration and Growth Committee, and the recommendation on

implementation of the methodology to be used, was approved by Policy & Resources Committee in June 2016

2.2 The CAS originally identified the museum as being part of that strategy but information presented by the BMLHS demonstrated that this was not the most appropriate designation for this asset, namely:

a. The Barnet Record Society (now the BMLHS) was granted occupation of No. 31 Wood Street in 1938 to constitute a Museum in perpetuity (see appendix 3)

b. The BMLHS obtained national accreditation as a museum from the Arts Council England on the 18th November 2010, as shown in appendix (4).

c. During this financial year the BMLHS have recently been granted, £98,200 from the Heritage Lottery Fund.

d. The building provides very specific benefits to the community i.e. the provision of museum facilities. The vast majority of assets contained within the CAS are activity based, be that sports, arts or community centres, whereas the Museum's main purpose is to maintain an archive and provide context to artefacts that form part of the heritage of the borough.

2.3 The principal objectives of the BMLHS and the museum itself is to:

a) collect, catalogue and conserve artefacts, documents, photographs and objects pertaining to the history of Barnet;

b) to interpret and research the collection;

c) to offer the collection to the public through exhibitions, online presentation, lectures, publications and responding to requests for information

2.4 It is essential therefore, in order to ensure the longevity and secure the future of the Museum as well as to fulfil the terms of the original occupational arrangement, to place the running of the facility within the hands of those dedicated to its preservation.

2.5 The property is not let under any formal tenancy but the Barnet Record Society, and its successor the BMLHS, have been using the building, as a museum, since 1938. Further, the property houses the collection of the Barnet Museum. Currently the BMLHS occupies the building under an informal arrangement managing the museum. It is critical therefore, that the BMLHS's occupancy is regularised as soon as possible in order to mitigate risks to both the tenants (BMLHS) and landlord (LBB).

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Regularising the Current Occupation with a short lease: The Council has in the past considered regularising the occupation of the BMLHS's occupation of the museum by issuing a shorter term lease. However this has given rise to a number of challenges, not least is that of the BMLHS not being able to raise funding by way of grants, due to the shortness of the proposed lease.

3.2 Leaving the operation of the Museum as per the current arrangements: This does not allow the Museum, or the BMLHS to potentially establish itself in the longer term. It also has financial implications for the BMLHS, in that they will be

prevented from raising external funding for capital projects, such as installing disabled access into the building.

4. POST DECISION IMPLEMENTATION

4.1 The Heads of Terms and extent of the property and land to be leased will be agreed and form the basis of the final Lease Agreement. This lease will contain a number of tenant covenants such as:

- a) Maintaining its charitable status,
- b) Not to assign the building to any organisation but only to the successors of the BMLHS or trust etc.
- c) That the lease will be subject to any other statutory consents required. e.g. Less than best transaction and potential for Secretary of State Approval.

The lease will also include other such clauses as deemed necessary to protect the building and its ongoing governance and compliance.

All of these documents shall be drafted by HB Public Law and signed off in accordance with the Management of Asset, Property and Land Rules.

4.2 The BMLHS have developed and published their business plans and have ambitions to operate the "Physic Well" in conjunction with the Museum. This will be the subject of a further report to this committee early in the New Year.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 The Council's Corporate Plan 2015-20 states that the Council, working with local, regional and national partners, will strive to ensure that Barnet is a place:

- of opportunity, where people can further their quality of life.
- where people are helped to help themselves, recognising that prevention is better than cure.
- where responsibility is shared, fairly.
- where services are delivered efficiently to get value for money for the taxpayer

5.1.2 The grant of this lease will support the Corporate Plan by bringing an asset inline with its strategy and assist with the tenant's long term business plan and business objectives.

5.1.3 The BMLHS Business Plan was and has been further developed in response to Barnet Council's Museum Consultation Document, which presented the case for the ongoing development of Barnet Museum. This includes a forward looking proposal which fits with Central Government's community based initiatives. The business plan is attached, see Appendix (5).

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

5.2.1 Following the acceptance of the Council's proposal, the Council's responsibility for

costs related to the maintenance and repairing obligations will be reduced.

5.3 Social Value

5.3.1 The aims and objectives of the BMLHS for this property are well documented and widely known. The BMLHS seek to encourage a wider more inclusive use of the facilities. This ideal is further reinforced by the proposed capital project, for installing and facilitating disabled access.

5.3.2 The Museum has had reported to the following annual visitor figures to "Visit England"

5.3.2.1 2012 – 5,000

5.3.2.2 2013 – 5,000

5.3.2.3 2014 – 5,000

5.3.2.4 2015 – 7,000

5.3.3 Currently the Museum has around 500 followers on Facebook over 250 hits per week on its website and just over a 100 plus followers on their newly constituted Twitter account.

5.4 Legal and Constitutional References

5.4.1 Local authorities are given powers under Section 123(1) of the Local Government Act 1972 (as amended) to dispose of land held by them in any manner they wish. Except with the consent of the Secretary of State for Communities and Local Government, a council cannot dispose of land, other than for the grant of a term not exceeding seven years, for a consideration less than the best that can reasonably be obtained. A general consent dated 2003 has been issued by the DCLG, this can be used where the value foregone is less than £2 Million and the proposed lease would be for the social, environmental or economic well-being of the residents of the Borough.

5.4.2 Further, Section 123 of the Local Government Act 1972 requires the Council to advertise the disposal of Public Open Space in a local newspaper for two consecutive weeks and to consider any objections received.

5.4.3 Should the matter be considered to fall under these provisions, the matter will be dealt with under these rules and the appropriate action taken. This is to ensure that the Council does not breach statutory rules.

5.4.4 The Council Constitution, The Management of Asset, Property and Land Rules, Appendix 2, Table B sets out the acceptance thresholds which provides authority for the action. Financial arrangements in excess of £100,000 must be approved by Asset, Regeneration and Growth Committee.

5.5 Risk Management

5.5.1 Prolonged un-regularised occupation; this could put LBB and BMLHS at risk of expensive and potentially damaging litigation to all concerned. Regularising the tenancy in a manner that suits both parties minimises the risks to both to an acceptable level.

5.5.2 Day to Day Running Costs: The potential risk of the Museum having insufficient funds to maintain itself in the short medium and longer term; the museum has

made considerable savings on running costs since the December 2010 consultation. The Museum has secured long-term financing commitments from external resources which have and will continue to meet any potential shortfalls.

- 5.5.3 Staffing Costs: Exposure to staffing costs not accounted for within the business and financial planning; the Museum is run entirely by volunteers and as such, the museum is not financially exposed to such costs.
- 5.5.4 Assignment of the Lease: Transfer to a third party outside the control of the Council; any transfer agreement will be drafted in such a way that, should Barnet Museum be unable to continue, the property shall revert to the Council.
- 5.5.5 The management committee: The inability of the staff and management team to handle the day to day running of a museum; the quality, experience of the Museums Trustees and its volunteers bring with them all the necessary range of competences and skills to manage an independent Museum. This can be clearly demonstrated by the way the Museum has been run over the years. Furthermore the Trustee skills and competencies are kept under regular review, so that any deficiencies are identified and dealt with appropriately.
- 5.5.6 Governance: Lack of compliance and loss of Charitable Status; the Museum is a registered Charitable Incorporated Organisation (CIO).The museum has therefore an established its organisational status and governance structure. The constitution of the BMLHS that is lodged with the Charities Commission does not preclude or prevent the Society from accepting an asset transfer. Further the Museum is a member of Community Barnet and the National Council of Voluntary Organisations.
- 5.5.7 Arts Council Accreditation: Potential loss of accreditation; the Museum has attained Arts Council accreditation which confirms compliance with stringent professional and operational requirements. The ongoing work needed to maintain the accreditation (which is externally and independently verified) mitigates the risk of operational failure.

5.6 Equalities and Diversity

- 5.6.1 Under the 2010 Equality Act, the Council must have due regard to the need to: a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act: b) advance equality of opportunity between those with a protected characteristic and those without; c) promote good relations between those with a protected characteristic and those without. The 'protected characteristics' referred to are: age; disability; gender reassignment; pregnancy and maternity; race; religion and belief; sex; sexual orientation. It also covers marriage and civil partnership with regards to eliminating discrimination.
- 5.6.2 The proposal does not raise any issues under the Council's Equalities Policy and does not have a bearing on the Council's ability to demonstrate that it has paid due regard to equalities as required by the legislation. No immediate equality impacts are anticipated as a result of this proposal.
- 5.6.3 The BMLHS's own documentation addresses the issue of Equality and Diversity, see appendix (5) contains the following passage;
 - 5.6.3.1 As a window to the town and its people, BLMS prides itself on its openness to the acceptance of all. BMLHS's policy on diversity and equality of opportunity

is that each individual involved with the Society (Trustee, volunteer, visitor etc) has the right to be treated with respect and dignity and that each and every individual involved with the Society also has the responsibility to treat others with respect and dignity..

5.7 Consultation and Engagement

5.7.1 Historically there has been considerable dialogue between the parties over the years.

5.7.2 The BMHLS have actively engaged and been encouraged to participate with and the development of this report.

6. BACKGROUND PAPERS

6.1.1 The Barnet Museum Local History Society Strategy Paper 2015 - 2017 (2016 Update).

6.1.2 The Community Asset Strategy