

**LESS THAN BEST CONSIDERATION DISPOSAL – CROMWELL MUSEUM
BUILDING, HUNTINGDON**

To: **General Purposes Committee**

Meeting Date: **15 September 2015**

From: **Director of Finance**

Electoral division(s): **Huntingdon**

Forward Plan ref: **2015\042** *Key decision:* **Yes**

Purpose: **Consideration of options for dealing with the Cromwell Museum in Huntingdon following its closure in the 2016/17 financial year.**

Recommendation: **The Committee is asked to approve a transfer of the freehold of the Cromwell Museum building to Huntingdon Town Council at less than best consideration for continued use as a public museum on detailed terms agreed by the Head of Strategic Assets.**

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1.0 BACKGROUND

- 1.1 One of the savings proposals for Economy Transport and Environment (ETE) for the 2015/16 financial year was the withdrawal of County Council funding for Huntingdon's Cromwell Museum, in order to save £30k per annum. Following a public petition, an amendment to defer this saving until the 2016/17 financial year was agreed at the full Council meeting in February.
- 1.2 The property is a small 12th Century Grade II* building extensively refurbished in the 19th century and was the grammar school attended by Oliver Cromwell. It has a gross internal area of only 73 sq. m and it has no toilet or kitchen facilities or drainage. The site it sits on extends to 255 sq. m. English Heritage considers the current museum use to be a sympathetic one but have expressed reservations about any changes or enhancement of the building being possible.
- 1.3 The Council's ownership extends to the building, a pathway to the side and an area of land to the rear accessible via the former probation services offices car park. The land allows parking for at least 3 cars and access rights over the adjacent car park are undocumented but have been in use for in excess of 20 years. The Council is currently involved in a dispute to protect these access rights as the purchaser of the former probation offices (now redeveloped as flats) has challenged the Council's access rights.
- 1.4 Building maintenance costs in 2014 were £2,582 per year. This cost reflects the cost of simply keeping in repair and does not include any sinking fund for any unexpected building work that may arise. Given the Grade II* listing if any work other than minor repair is required it could be costly as building methods and materials must respect the Listed status. As mentioned in section 3 below some of the Mechanical and Electrical elements whilst still working are past their design life.
- 1.5 Julie Cole Consultancy was commissioned (using funding from the Arts Council's Renaissance Programme) to review the options for the future of the museum and to comment on their viability.
- 1.6 A copy of ETE's report to Highways and Community Infrastructure Committee on 15th July 2014 is attached which summarises the consultant's report and puts forward a recommendation that a new lease of the museum at a less than best consideration rent be granted on internal repairing to terms to a new Trust. This arrangement is subject to approval by General Purposes Committee.
- 1.7 Re-accreditation of the museum by the Arts Council is due by October 2015. This needs to include approval of a Care and Conservation strategy for the items in the collection, which in turn requires the Museum to have the proper secure conditions for the duration of the accreditation period. Without accreditation there is a high risk of the withdrawal of key parts of the museum collection by their owners.
- 1.8 Huntingdon Town Council (HTC) has approached the County Council with a proposal that it acquires the freehold of the building, that it becomes responsible for the structure of the asset, that the Museum Trust becomes

responsible for the internal condition of the asset, and that HTC allows the new Museum Trust to continue to operate the building as a museum devoted to the life of Oliver Cromwell.

2.0 MAIN ISSUE

- 2.1 The consultant's recommendation envisaged the grant of an internal repairing lease to the new Museum Trust which is based on the assumption that the Trust would not want the maintenance liability for the structure of the building.
- 2.2 Four trustees have now been appointed to the shadow board, including Huntingdon's MP Jonathan Djanogly. They will make the necessary applications to the Charity Commission so that the Trust can exist as a legal entity, and will begin raising funds. They will likely have few funds in place by 1 April 2016, and any funds that they may have acquired will be needed to be put towards employment of a part time curator and other service related issues.
- 2.3 The approach from HTC would allow the County Council to transfer the asset to an organisation that has the expertise and means to undertake a good stewardship role for this locally important heritage asset whilst keeping the museum use in place. This approach would also allow the new trust time to build up funding to help it concentrate on the successful running of a museum rather than running a building.
- 2.4 The proposal to grant a lease to a new Trust is therefore not the only option and options for dealing with the museum on closure are:
 - A. Leasehold transfer restricted to museum use
 - B. Freehold transfer restricted to museum use
 - C. Disposal for alternative use by way of lease or freehold sale.

2.5 Option A Leasehold Transfer to HTC for Museum Use

- 2.5.1 Members are advised that although a covenant on use can be imposed on sale the Council retains much more control if a lease is issued as the tenant can be required to comply with lease terms or else be forced to give up their lease through forfeiture. A 999 year lease would give such control but the Town Council are clear that they will only accept the freehold of the museum.

2.6 Option B Freehold Transfer to HTC for Museum Use

- 2.6.1 Alternative use has not been investigated but it is anticipated that there would be a limited market for such a building given its age and the grade II* Listed status. The District Valuer provided the County Council with a market Value figure in August 2014 of £45,000 which included the value of car parking and an annual income of £1,250 pa from a Licence of land to the side. Due to the uniqueness of the property the valuation figure was expressed to have a greater degree of variance or uncertainty compared with a valuation of a standard property.
- 2.6.2 HTC's proposal is that they become responsible for the asset but they will not accept a transfer on a leasehold basis. The Town Council will accept a transfer of the freehold for a peppercorn payment and with no significant building repair or maintenance costs being inherited on transfer. This

requires approval from General Purposes Committee to a less than best consideration disposal.

- 2.6.3 This proposal from HTC would keep this historic building in public use, whilst the County Council would no longer have any maintenance responsibilities. HTC already have a similar responsibility for an historic building being the old Magistrates Courts and Town Hall in Huntingdon which is a much larger Listed Building. It is considered that HTC have the requisite experience and means to properly care for the Cromwell Museum Building and therefore this option has been explored further with HTC.
- 2.6.4 Huntingdon Town Council commissioned a specialist survey of the building and mechanical and electrical services in order to assess what repairs might be needed. The report on Mechanical and Electrical Services recognised that given the age of services these were in good condition but with certain elements approaching or having reached the end of their economic service life. Improvements to external lighting on Health and Safety grounds were recommended.
- 2.6.5 The budget estimate costs of these reports were £49,580 in total. However the Medium High to High priority building works were £3,050 and the lighting improvements on Health and Safety grounds are £2,280. In respect of a total of £22,000 for Mechanical and Electrical Services £15,000 was given in respect of a new Fan Coil unit with integral humidifier. This unit, which has exceeded its life expectancy, is currently experiencing problems and may need to be replaced prior to the creation of the trust. A report is expected shortly from FM to clarify whether replacement is necessary. Maintenance of the environmental conditions within the building is crucial for the proper keeping of the objects on display and is necessary for continued accreditation. Responsibility for the continued maintenance of these environmental conditions after April 2016 will fall to the Trust.
- 2.6.6 Following further discussion with the Town Council the following agreement has been reached in principle, subject to approval of the Council's General Purposes Committee to a less than best consideration disposal:
- The transfer to be conditional on the Town Council immediately subletting the whole building to the new Museum Trust for a suitable lease period i.e. in excess of 25 years so that the Trust can lever in external funding. The trust will operate under a Service Level Agreement (SLA) with the County Council to manage the collections which remain County Council property. No money will change hands under the SLA.
 - The Town Council to take the property in its existing condition but with the County Council paying £20,000 to the Town Council as a contribution towards immediate maintenance work required to the building.
 - The transfer will be subject to a covenant restricting the use of the property to a museum open to the public and dedicated to the life of Oliver Cromwell or as a museum or heritage asset or cultural asset open to the public. This alternative covers the scenario of the museum Trust not continuing in the future but is intended to restrict HTC from using the building for unsuitable purposes or for development. It is possible for such covenants to be breached so it

has been suggested that an overage deed could be prepared so that if a planning permission is obtained for the building for any other use than a museum or heritage or cultural asset open to the public, the owner at that time will pay a proportion of the increase in value to the County Council.

- The freehold will transfer subject to an existing licence to a business operator of land to the side of the museum. This licence is due to expire 19/02/2026 and the current fee received is £1,250 per annum. The fee is reviewed every 3 years in line with the retail prices index.
- The freehold will transfer subject to any existing rights for services and access. The County Council can only grant such rights as it has and it should be noted there is currently a dispute over our rights to vehicle access.
- The County Council to make available to the new Museum Trust on a Licence basis (or within the SLA) archive storage within the existing Huntingdon Archive on the first floor of Huntingdon Library. The County Council to also grant a short-term Lease to the new Museum Trust of a small office and storage space on the ground floor of Huntingdon library. This would be for nil rent but this falls within the threshold delegated to officers.

2.7 Option C. Disposal for Alternative Use

2.7.1 The Council could put the building on the open market for sale. The District Valuer's opinion of Market Value is £45,000 although this is a qualified figure due to the nature of the asset.

2.7.2 However, if sold the historical link between Oliver Cromwell and the museum collection would be broken and as the attached report states, there is strong local support for keeping the museum in Huntingdon. The consultant's report of 2014 suggested as Option 3 that, if no local solution could be found, the Museum's collections could be transferred to the National Civil War Centre in Newark. This option was ruled out by the Cromwell Museum Management Committee (CMMC) at its meeting on 3 April 2014 on the grounds that a local solution could indeed be found, and that the proposed Museum Trust would form this solution. The CMMC is the Museum's advisory committee, on which Cambridgeshire County Council Member representatives are nominated to sit. Although it would be possible to sell, it is anticipated that a sale of the asset would result in high levels of negative publicity for the County Council, and would send a mixed message to stakeholders because the County Council officers are also working hard to set up a successful Museum Trust. Huntingdon's MP is a known supporter of the Museum, publicly gave his backing to the 'Save the Cromwell Museum' campaign of 2014, and is a trustee of the new Cromwell Museum Trust.

2.8 Group leaders have been advised of the above options and support option B.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

There are no significant implications for this priority.

3.3 Supporting and protecting vulnerable people

There are no significant implications for this priority.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The report above sets out details of significant implications in 2.6.

4.2 Statutory, Risk and Legal Implications

The report above sets out details of significant implications.

4.3 Equality and Diversity Implications

There are no significant implications within this category.

4.4 Engagement and Consultation Implications

The report sets out details of significant implications.

4.5 Localism and Local Member Involvement

The following County Councilors were consulted on option B, subject to General Purposes Committee agreeing to this:

Peter Ashcroft; Peter Downes; Sir Peter Brown; Julie Wisson; Michael Shellens; Graham Wilson

Responses received were as follows:

Councillor Ashcroft: I agree this is an ongoing matter which must be successfully resolved for the people of Huntingdon. History is a precious thing which we must not lose. I have no objection to this plan which keeps this museum's object alive locally.

Councillor Wisson: I fully support the proposal to the General Purposes Committee.

Councillor Shellens: Yes I am deliriously content with the current proposals. This has my full support.

Councillors Brown, Wisson and Downes are Members of the Cromwell Museum Management Committee which is an advisory body to the Council. The Committee is chaired by Councillor Downes. This Committee agreed on 3 April 2014 that the Museum should if possible remain in Huntingdon and that it should be delivered from the existing Museum building. The Committee has followed progress with Huntingdon Town Council's offer to take over the property, and has not raised any objection to it.

4.6 Public Health Implications

There are no significant implications within this category

Source Documents	Location
Minutes of the Highways and Community Infrastructure Committee on 15th July 2014	http://www2.cambridgeshire.gov.uk/CommitteeMinutes/Committees/AgendaItem.aspx?agendaItemID=10025
JM Cole Consultancy: Cromwell Museum Devolution of Governance report, 25 April 2014	Box No: RES1013 Room No:004 Shire Hall Castle Hill Cambridge CB3 0AP