

Taunton Deane Borough Council

Council Meeting - 25 February 2014

Information report regarding the re-opening of The Brewhouse Theatre, Taunton

Report of the Economic Development Manager

(This matter is the responsibility of Executive Councillor Norman Cavill)

Negotiations have progressed with the Taunton Theatre Association (TTA) in recent months to secure the reopening of The Brewhouse Theatre and Arts Centre. Members will recall that the Council purchased the lease on the property from the Administrator in October 2013.

The Executive subsequently approved the leasing of the property to the TTA in December 2013 and resolved to delegate authority to the Executive Portfolio Holder to sign off the TTA's Business Plan (once submitted and in an acceptable form) and to enter a lease and a funding agreement with the TTA.

The Brewhouse Steering Group met on 10 February 2014 and considered correspondence from the TTA intended to reassure the Members of the robustness of the Business Plan. The Steering Group acknowledged the uncertainties – both practical and economic – involved in the re-opening of the theatre (particularly for the period immediately after re-opening) and agreed to sign off the Business Plan.

A draft set of Heads of Terms for a ten year lease on the property and a draft funding agreement in relation to the Council's annual grant have both been issued to the TTA. A verbal update on progress with those two documents will be offered at the meeting.

Under the proposed terms of the lease the Council will retain responsibility for the maintenance of the external fabric of the property. Upon consideration of this item in December 2013 the Executive agreed to allocate £70,000 per year to the maintenance for a period of five years.

Officers have since obtained advice that the total maintenance cost over the proposed ten year term of the lease will be in the region of £601,000.

The Council should therefore note the long term financial implications of entering the lease, i.e. that budgetary provision will need to be made during years five to ten of the lease period in connection with the maintenance obligations for which the Council will be assuming responsibility.

Subject to completion of the lease and the signing of the funding agreement in the next few weeks, the TTA is planning to reopen the theatre initially in April with activity during the Summer months. This will culminate in a formal opening in the Autumn. The programme of activity will be shared with Councillors as it is developed.

Members are asked to note the contents of this report.