

Local Members' Interest
N/A

Prosperous Staffordshire Select Committee - 26th July 2016

The Future Business Model for the Shugborough Estate – Sub Leases for Walled Garden and County Museum

Recommendation/s

1. The Prosperous Staffordshire Select Committee is asked to scrutinise the arrangements regarding Staffordshire County Council entering into two leases with the National Trust for the Walled Garden and County Museum at the Shugborough Estate for the areas shown on the plans annexed at Appendix A and B of this report and to scrutinise the heads of terms relating to these leases set out in this report. To also scrutinise the granting of a lease to Entrust Services Limited for the Outdoor Education Centre as set out at paragraph 21 of this report.

Report of the Deputy Leader and Cabinet Member for Finance and Corporate Matters and Cabinet Member for Economic Growth

Summary

What is the Select Committee being asked to do and why?

2. To scrutinise the arrangements regarding the County Council entering into leases for the Walled Garden and County Museum from the National Trust as part of the transfer of the Shugborough Estate from Staffordshire County Council to the National Trust.
3. On 20th January 2016 Cabinet approved the transfer of the legal estate of the entire Shugborough Estate to the National Trust .As part of this process it was recognised that the County Council needs additional time to relocate its museum collection and reinstate the walled garden at Shugborough. The National Trust has therefore agreed to grant two leases to the County Council for this purpose on the terms which are set out in the body of this report. A lease of the Outdoor Education Centre will also be granted by the County Council to Entrust Support Services Limited with the consent of the National Trust to regularise their occupation. The transfer of the legal estate to the National Trust will be subject to the lease to Entrust.
4. The Shugborough Estate Transfer Project Board and Strategic Property Services welcomes comments from the Prosperous Staffordshire Select Committee which will inform the delegated decision which will be taken in August 2016

Report

Background

5. On 20th January 2016 Cabinet considered a report on the Future Business Model of the Shugborough Estate.

6. Maintaining, managing and operating the Shugborough Estate in line with the terms of the lease with the National Trust has become an increasing budget pressure for Staffordshire County Council at a time when resources need to be prioritised to support care, independence and support for the most vulnerable in society.
7. The key recommendation of that report was:
 - a. Staffordshire County Council surrenders the lease made between the National Trust and Staffordshire County Council dated 5th May 1966 ("Lease") which they currently hold on the Shugborough Estate.
8. The cost to surrender the lease to the National Trust is £20.5million pounds (net of VAT) which represents a total saving to Staffordshire County Council of £39.4million pounds (assuming the known maintenance issues were to be addressed during the lease period).
9. Surrender of the lease guarantees the future upkeep and opening of the Shugborough Estate to the public, the economic benefits of a thriving visitor attraction and the removal of a financial liability for Staffordshire County Council.
10. Cabinet agreed the recommendations of the report. The decision was called in and referred to the Corporate Review Committee on 8th February 2016.
11. The Corporate Review Committee recommended that the Prosperous Staffordshire Select Committee add to its Work Programme consideration of the leases for the Walled Garden and the County Museum and performance management issues in regard to Shugborough with the National Trust e.g. the increase in visitor numbers and economic prosperity to the County.
12. The leases are therefore brought for noting by the Select Committee.
13. As part of the surrender process Staffordshire County Council needs to enter into two leases for the Walled Garden and the County Museum for a period of three years at a rent of £1 per year.
14. Museum Lease - the purpose of the Lease is to give the County Council a period of three years to transition the County Museum Service at Shugborough to a new model. The collection will not be open to the public during this period however part of the Museum's collection will be placed on loan to the National Trust so that the items remain on display in the Servants' Quarters.
15. The remaining stored collections in the Museum and in the Large Object Store at the Walled Garden will be removed to a new collection store. Work is already under way to identify a suitable site for the collection store which will meet standards required for the items held by the Museum.
16. The National Trust will be responsible for the maintenance and repair of the area shown edged red on the plan at Appendix One for the three year period of the lease. However, the County Council will be obliged to make good any damage caused by the County Council and decorate the property.

17. The County Council will be paying a peppercorn rent and will be able to surrender the property back to the National Trust on giving three months' notice in writing.
18. Walled Garden Lease - the National Trust require the County Council to restore the Walled Garden to its state prior to the County Council's occupation by the removal of:
 - a. Waste material, historic agricultural equipment, greenhouses and composter machine.
 - b. The County Council will carry out works to reveal the historic path network, locate the central dipping pool and demolish and remove the Large Object Store.
19. The County Council will have a 3 year lease in order to undertake these works with an option to extend for one more year to 31 October 2020 if necessary.
20. The specification of the works is currently being considered in detail and will need to be discussed and agreed with the National Trust. Clearly the relocation of the museum objects from the Large Object Store will need to be a priority prior to major works beginning within the Walled Garden.
21. Outdoor Education Centre - to regularise the occupation of the Outdoor Education Centre by Entrust the National Trust have agreed that the County Council can grant a sub-lease to them for a period of 10 years commencing on 1 April 2013. The surrender of the Shugborough Estate would be subject to the sub-lease to Entrust and this is therefore cost neutral to the County Council.

Link to Strategic Plan – The Shugborough Estate and County Museum contribute to Enjoying Life and Great Place to Live priorities.

Link to Other Overview and Scrutiny Activity – The Future Business Model for the Shugborough Estate was scrutinised by Corporate Review Committee on 8th February 2016

Community Impact - Shugborough will remain open to the public, the part of the walled garden that will be leased to the County Council is not currently open to the public and the only impact to the community will be the closure of the temporary exhibition spaces at the County Museum at Shugborough. A significant part of the Museum collection will remain in situ on loan to the National Trust and displayed as is currently the case within the Servants Quarters. The development of the Staffordshire History Centre will include an exhibition space which will mitigate against the loss of the temporary display spaces which are currently located at Shugborough

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Appendices/Background papers

Appendix A - Plan for Walled Garden

Appendix B - Plan for County Museum