

SITE 15 – FAIRFIELD ROAD, RAMSGATE

Similar comments apply with regard to our discussions with the auctioneers on this property and again this will be considered by an alternative auctioneer.

THE COACH HOUSE, NORTHDOWN PARK, MARGATE

This property is held on a 35 year lease from 1985, at a current rent of £300 pa. The tenant is responsible for repairs and insurance. The lease provides for the building to be used as a museum for a minimum of 100 days per annum, with the residential accommodation on the first floor to be used for a curator. There is an automatic right to renew the lease for a further 35 years, at the end of the current term.

There is quite a long history attached to this property which was in poor condition, when originally let to the current tenant. It is understood from the tenant that, the property was to be put into good order, with the assistance of Thanet District Council. However, these works have not been carried out and the property is still in poor condition. Also, it is currently boarded up, on the recommendation of insurers, because of a number of arson and burglary attempts. The lease places no obligation on Thanet District Council to carry out or assist the tenant.

Discussions have taken place with the tenant about the possibility of the tenant surrendering the lease. Because of the state of the building and the property market, it is considered that the lease has no value. No agreement has therefore been possible with the tenant, who believes the lease has considerable value.

As an alternative, the tenant has asked for a change of use to allow the 'museum' to also be used as a café, with a meeting room and public lavatories. This has been suggested to help generate income to put the building into good order. The tenant has been informed that if this were to be considered, then the level of rent would have to be increased.

Because of the circumstances of the case, the current position was reported to the Asset Management Strategy Group which, after due consideration decided that the matter should be referred to the Working Group for consideration

To date, the museum has not been open to the public and we have an affidavit from the 'curator' to that effect. The tenant is therefore in breach of two covenants, namely;

- 1 To repair and keep in repair.
- 2 To open as a museum.

Both of these breaches represent legal grounds for applying to the Courts for forfeiture of the lease. This is not a straightforward process, as the tenant can apply to the Courts for relief against forfeiture and no doubt the argument that Thanet District Council has frustrated attempts to repair the building and open it, in accordance with the terms of the lease; would be used in seeking to obtain relief, from the Court.

One way forward, that the Working Group may like to consider, is adding the property to the Potential Disposal List. Clearly, if this route were to be adopted, the outstanding issues with the tenant would need to be resolved

2.2 Asset Management Strategy – 2007 – 2011