

CABINET
8 FEBRUARY 2018**SWITCH IN HOSTING OF JOINT MUSEUMS SERVICE**

Relevant Cabinet Member

Mrs L C Hodgson

Relevant Officer

Director of Children, Families and Communities

Recommendation

1. **The Cabinet Member with Responsibility for Communities recommends that Cabinet approves the Joint Museums Committee's proposal to:**
 - (a) **switch the hosting of the Joint Museums Service (Museums Worcestershire) from Worcestershire County Council to Worcester City Council, including the TUPE transfer of staff as laid out in the implementation timetable attached;**
 - (b) **authorise the recommended revisions to the legal agreement between Worcester City Council and Worcestershire County Council governing the Joint Museums Service; and**
 - (c) **authorise in principle agreement to the dissolving of the Local Government Pensions Scheme ghost body for the Joint Museums Service (insofar as it is an executive function) and the consequences set out in the report, subject to further investigation detailing the costs and risk, with authority to make a final decision on behalf of the executive delegated to the Assistant Director for Families, Communities and Partnerships in consultation with the Chair and Vice-Chair of the Joint Museums Committee.**

Background

2. A Joint Museums Service between Worcestershire County Council and Worcester City Council was formed in 2010. It is governed by a Joint Committee under Section 101 of the Local Government Act 1972 and Section 20 of the Local Government Act 2000 and was established in 2010 after a detailed and independent examination of alternative forms of governance. The decision was made in 2009 that Worcestershire County Council would act as host authority for the service principally because of the respective capacity at the time of the two authorities' support services and to protect VAT cultural exemption benefits.
3. The successes of the Joint Museums Service since 2010 include delivering significant savings required by both authorities, increasing grant aid and voluntary

income from £3k to £235k in three years, working with Hartlebury Castle Preservation Trust to secure Heritage Lottery Funding and relaunching The Commandery as a lead partner in developing Citywide recognition for Civil War heritage. Success has been achieved through a combination of economies of scale, shared expertise and the ability to lever in funds and raise the profile due to the size and ambition of being a larger organisation able to exploit the Museums Worcestershire brand.

4. In 2015, following a workshop for elected members, it was proposed that the hosting of the Joint Museums Service should switch to Worcester City Council. The drivers for the switch were that the City Council has more assets in the shared service, and has heritage as a key corporate priority. It is committed to increasing heritage development as part of Worcestershire's overall tourism offer, boosting economic development.

5. There is no proposal to change the Joint Committee governance model for the Joint Museums Service, with equal representation from both authorities.

Business Case

6. In September 2017, Worcestershire County Council engaged a project consultant to oversee, on behalf of the Joint Museums Service, the compiling of business case into the one-off and ongoing costs and implications of a switch in hosting. Worcester City Council funded the costs of external pensions and VAT expertise to feed into this business case.

Joint Museums Committee

7. The Joint Museums Committee reviewed the business case at their meeting on 24 January 2018. They have resolved to recommend to both authorities that a switch in hosting of the Joint Museums Service be implemented.

Implications of the Proposal

8. Funding and Management agreements between Worcestershire County Council and Hartlebury Castle Preservation Trust support the Trust's Heritage Lottery project to redevelop the whole Hartlebury Castle site (which includes Worcestershire County Museum). In order to fully support these, the County Museum operations staff and budget will remain administered by the County Council and overseen as part of the Joint Museums Service. The joint functions that are included in the change in hosting are: collections care, exhibitions & displays, education & outreach, events planning, support for other museums, professional standards, fundraising, commercial & income earning, publicity & marketing, risk management and strategic planning.

9. The Joint Museums Committee also reviewed the Joint Museums Service pension position – currently a 'ghost body' (ring-fenced group of staff) within the Local Government Pension Scheme (LGPS), explained in more detail in the supporting business case. They recommend that this position is continued while further investigation work is undertaken on the implications of pooling Joint Museums staff within the LGPS. Both Worcestershire County Council and Worcester City Council need to approve the dissolving of this ghost body. The Joint Museums Committee therefore recommend that Cabinet supports in principle that the ghost

body be dissolved, with the final decision on behalf of the executive delegated to the Assistant Director for Families, Communities and Partnerships at the County Council (and the Deputy Director for Commissioning and Transformation at the City Council) in consultation with the Joint Museums Committee Chair and Vice-Chair.

10. The one-off costs of a switch in hosting will be funded in Worcester City Council's transformation project; the small changes in on-going costs will be absorbed by each authority.

Legal, Financial and HR Implications

11. The one-off costs to Worcestershire County Council of the switch in hosting are a cash cost of £1,200 for telephony and resources savings of £2,142 in IT budgets.

12. There is an ongoing annual cost of £1,101 from the loss of a hosting fee, plus an uplift of £557 in employer pension contributions to the LGPS ghost body in the short-term. These figures are detailed in the supporting document.

13. Legal and HR requirements of a switch in hosting of the Joint Museums Service have been investigated in detail by a working party of officers from both authorities. An implementation plan has been created which sets out the TUPE transfer of the Joint Museums Service staff and the revision of the legal agreement for the Joint Service.

Privacy and Public Health Impact Assessments

14. None identified as a direct result of this report.

Equality and Diversity Implications

15. An Equality Relevance Screening has been completed in respect of these recommendations. The screening did not identify any potential Equality considerations requiring further consideration during implementation.

Supporting Information

- Costs and implications of a switch in hosting from Worcestershire County Council to Worcester City Council report, executive summary
- Implementation plan for hosting switch (Appendix M of the hosting business case)

Contact Points

County Council Contact Points

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Specific Contact Points for this report

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Background Papers

In the opinion of the proper officer (in this case the Director of Children, Families and Communities) the following are the background papers relating to the subject matter of this report:

Agenda papers for the meeting of the Joint Museums Committee held on 24 January 2018