

**JOINT MUSEUMS COMMITTEE
16 NOVEMBER 2017**

JOINT SERVICE PARTNER CONTRIBUTIONS 2017-2021

Recommendation

1. **The Museums General Manager recommends that:**
 - a) **Consideration be given to the reductions in contribution to the joint service proposed by the two partner councils and the approach for reducing the budget to meet these reductions as set out in the exempt Appendix be approved; and**
 - b) **A report on Hartlebury Castle’s business plan and staff restructure be brought to the meeting of the Joint Museums Committee on 24 January 2018.**

Background

2. The Museums Shared Partnership agreement (the founding document of the joint museums service, made in 2010) sets out that the Joint Committee agrees the service’s capital, revenue and manpower budgets.
3. The budget for Museums Worcestershire is made up of the following elements:

Worcester City Council	Contribution to manage the City Art Gallery & Museum, The Commandery, the city collections and associated services	In 2016-17: £486,000
Worcestershire County Council	Contribution to manage Worcestershire County Museum, the county collections and associated services	In 2016-17: £352,000
Grant funders including Arts Council England and Heritage Lottery Fund	Project and activity costs	In 2016-17: £177,667 Plus 2nd year of 2-year programme of £129,100 Arts Council England grant
Donations	Given unrestricted to	In 2016-17:

	support the museums' work	£1,186
Income raised through admissions, activities, retail, commission, cafes and hire bookings		In 2016-17: £189,166

Partner Commitments

4. Worcestershire County Council's agreement to support Hartlebury Castle Preservation Trust's development project commits the authority to maintain a level of contribution over the period of the Heritage Lottery Funded project until 2021.
5. Hartlebury Castle Preservation Trust are revising their business plan for the site based on benchmarks from other local attractions, the most up-to-date visitor predictions and the funding agreement finalised with Worcestershire County Council in May this year. It is proposed to bring a report to the meeting in January which will include ticket prices, opening hours and a staff restructure to most efficiently meet the future needs of the site.
6. The Joint Museums Committee approved a business plan, including predicted income and expenditure, for The Commandery at their meeting on 15 March 2017 (Minute no. 304 refers).

Proposed Reductions

7. Worcester City Council propose to reduce their contribution by £95,000 over the next two financial years.
8. Worcestershire County Council have applied a budget reduction of £71,000 to the property budget for Worcestershire County Museum at Hartlebury, which sits outside the Joint Museums Service. They would like to resolve this unmet reduction prior to any hosting switch. In addition, Worcestershire County Council propose to further reduce their contribution to the joint service by £30,000 in 2019-20.
9. These reductions will take another 23% out of overall museums council subsidy, meaning that the cost of museums to the two authorities in 2021 will be half what it was before the joint museums service was formed in 2010.
10. The proposals to meet the requested reductions in contributions are set out in the exempt Appendix. **Please note that the Appendix contains exempt information (on salmon pages) and should members wish to discuss the information included in the Appendix they would need to consider passing the appropriate resolution and moving into exempt session.**

Risks

11. Savings based on income do represent a risk, to mitigate this predicted income is modelled and monitored on a monthly basis with mitigating action taken as required. The ability to claim charitable business rate relief is currently an untested proposition

which the County Council is pursuing following external advice commissioned by the Joint Museums Service.

12. The Museums Shared Partnership agreement of 2010 sets out that redundancy costs should be shared on a percentage split basis. Since the Joint Museums Service was formed, 5 people have been made redundant and redundancy costs of £66,015 have been met from the Joint Museums Service reserves. It is proposed that this approach continue and the Joint Museum Committee approve as part of the business case for each restructure what the call on reserves might be. It is probable that the costs of redundancy across this period will be greater than the reserves available and that from 2019-20 the two authorities will need to fund these payments from outside their museum service contribution, with an appropriate split of costs to be agreed.

Supporting Information

Appendix - proposals to meet the requested reductions in contributions (**Exempt information – Salmon pages**)

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 Museums General Manager) there are no background papers relating to the subject matter of this report.