

NOTICE OF MOTION The Lancaster Museums

OFFICER BRIEFING NOTE

The notice of motion submitted by Cllrs Nick Wilkinson Councillors, June Ashworth, Dave Brookes, Susie Charles, Tim Hamilton-Cox, Caroline Jackson, and Roger Mace is set out on the front of the agenda.

Introduction

This briefing note is to provide relevant information and context to inform consideration of the Council Motion “Working in Partnership – Reviewing Options for the Lancaster Museums”.

Background

Lancaster City Council has three museums, all based in Lancaster City Centre. **The City Museum** is located in Market Square in the Old Town Hall and is primarily focused on the history and heritage of Lancaster. **The Kings Own Regimental Museum**, although owned by the regimental trustees, is situated within the City Museum where the Council has hosted and provided management for many years. **The Maritime Museum** is situated on St George’s Quay within the Old Customs House and, as its name suggests focuses on maritime history of the area, including the Port of Lancaster and its trading history but with many links to Morecambe and the Bay. **The Cottage Museum** lies within the conservation area on Castle Hill and is effectively a simple, 18th century cottage providing a glimpse of early Victorian life.

The Council also owns and operates a number of other heritage buildings, all of which, in different ways, add value to the current museums offer. These include the Storey, the Town Hall and the Ashton Memorial. The Council’s buildings, including its museums, sit alongside a number of other heritage buildings as part of the wider heritage of the city of Lancaster. These include Lancaster Castle, which currently operates in part as a museum, the Priory, and the Judges Lodgings, a County Council museum which has been identified for closure.

Lancashire County Council manage and operate the City Council’s museums under a Museums Service Partnership Agreement, which was agreed in 2003 and that is currently holding over. This agreement has allowed a continuing arrangement to remain in place whilst the two Councils consider options for museums delivery in the context of large scale change across their operations. The agreement requires a review during the early part of 2016 to ensure that the museums accreditation, which is due for renewal during 2016, is continued.

The Museums Agreement currently costs the Council £505k per annum and includes on site operational costs for all three museums, overall management, administration, financial and marketing support and access to centralised services to provide specialist collections management, conservation and curatorial expertise.

Museums development

Over the last three to four years, the Council, working with the County Council, has undertaken a number of pieces of work that have provided useful information and analysis on the current museums arrangements. This includes specialist studies, engagement with the Local Government Association and consultation. A better overall understanding of the museums has been achieved and broader discussions with both County Council and Preston City Council have explored joint working opportunities. New governance arrangements have been developed and there has been a re-emphasis of the museums as

part of the visitor economy as well as a recognition that there are opportunities to increase the sustainability of the museums to improve the ongoing and longer term financial position.

In the context of significant budget pressures affecting both Councils, these discussions have been progressed and the City Council has now commissioned a high level study to examine its collections, museums buildings and spaces, identifying potential linkages with other building and spaces as part of the wider offer. Opportunities to increase long term sustainability are also being reviewed. For clarity, the study currently being undertaken does not include the Judges Lodgings.

A report will be provided to Cabinet on the outcome of this study during early 2016 and will outline a number of options which, if supported, can be further developed to allow the Council to be in a position to consider an overall strategy and detailed proposals during the next municipal year. It is expected that a recommendation to develop detailed options for future management arrangements will be specifically included as part of the report, although this will relate to Council's own museums rather than an extended arrangement that includes the Judges Lodgings.

Long term management arrangements

There are various options which the Council can consider if it wishes to wholly or partially devolve its museums service. These include, for example, a trust or charitable company, a joint committee, private sector management and outsourcing to existing museum or heritage organisations.

In terms of assessing any options the Council would no doubt wish to consider the impact on service delivery, wider outcomes to be achieved, financial viability, sustainability, risks and opportunities. It would also be important for the Council to meet requirements for fairness and transparency in the way that any services are secured.

Although a review of management options could well lead to an agreement in principle to some sort of devolved museums service, it would be essential that any future management model is fit for purpose and financially realistic as well as able to deliver any agreed services and outcomes. There would be challenges in terms of investment and business planning, staffing, specialist expertise, resourcing and service development. However, a well designed model with sufficient financial backing and access to the skills, expertise and resources required, could potentially offer some benefits for both the museums and the Council.

It is worth noting that, although devolved services may be a useful option for the Council to consider, this is unlikely to deliver short term savings as it is usual for financial handover for such arrangements to take a number of years. Commonly, Local Authorities remain as key investors, providing an up-front premium to kick start the transfer and retaining some form of financial commitment in the longer term. Given the Council's financial outlook therefore, there is currently no guarantee that such options will prove financially viable or affordable.

It should be noted that this document is set in the context of Cabinet's budget proposals, to be considered elsewhere on Council's agenda for the 3rd February, as follows:

"The future of the Maritime and Cottage Museums will be reviewed, alongside moves to encourage the County Council to explore community running of its museums provision (potentially through a Trust), with the aim of securing the museums' future in this district. That said, the aim will be to significantly reduce or negate operating costs of all museums, and mothballing of the Maritime and Cottage Museums will also be an option for consideration."

County Council initial comments

Initial officer comments have been requested from County Council and it is advised that:

Regarding Part 1 of the Motion

If the Motion is agreed, a letter to County Council in advance of the County budget meeting on the 11th February could be added to other considerations that will be taken into account.

The County is currently seeking Expressions of Interest for the 5 museums identified for closure across the county on the 31st March. If Lancaster City Council wishes to write to the County Council with in principle support for the investigation into a Lancaster Trust that would support any potential Expression of Interest submitted by a Trust, or people speaking on its behalf.

Regarding Part 2 of the Motion

The County Council is likely to assist in exploring the option of a Trust, if requested. However, a fair and equitable approach will be required regarding any Expressions of Interest that are submitted. The process of supporting and evaluating Expressions of Interest has not yet been agreed.

Summary and Conclusions

In considering the Motion, Council may wish to take into account the following points:

- The proposal to review the option of supporting the creation of a financially sustainable Lancaster wide museum organisation is premature, as the City Council's current high level review of the current museums service is expected to recommend that detailed options for future management of the museums are developed.
- The City Council's current museums review has not yet been received and whilst it is expected to recommend detailed options are developed, the details are currently unavailable.
- During the coming municipal year, the Council will have the opportunity to consider a number of options to reduce its current costs for its museums. Potentially, therefore, alternative arrangements could be agreed that will change the way in which the service is delivered at present.
- Although any work undertaken by County Council will be valuable, the City Council will be required to directly consider any proposals that may arise for a review of its own museums on its own behalf, in order to evaluate financial, legal, service delivery implications, risk and opportunities in detail. This should normally also include an appraisal of any other potential and reasonable options.
- Although a review of the option proposed, as well as other potential options, could take place in the first few months of 2016/17, it is important to recognise the timescales required to undertake planning and implementation work and to transfer management functions and financial responsibilities, if a new arrangement is agreed. Typically this process takes place over a number of years so, if successful, delivers benefits in the longer term rather than the short term.
- It is extremely likely that County Council will withdraw revenue support from the Judges Lodgings in the near future. Unless clear alternative support, investment or revenue income is available, any new arrangement with shared risks and responsibilities will potentially create additional liabilities for the City Council at a time when its own budgets have significantly reduced.

Statutory Officer comments:

The Monitoring Officer has been consulted and has no further comments.

The Section 151 Officer has been consulted and has no further comments.