

CABINET

Museums Service

19th January 2010

Report of Corporate Director (Regeneration)

PURPOSE OF REPORT				
To consider savings options in respect of the Museums Service.				
Key Decision	X	Non-Key Decision		Referral from Cabinet Member
Date Included in Forward Plan	January 2010			
This report is public				

RECOMMENDATIONS OF COUNCILLOR JUNE ASHWORTH

1. To issue Lancashire County Council with 24 months notice to terminate the Museums Partnership Agreement from 1st April 2010 (i.e. to be implemented after 31 March 2012), and for officers of the City Council, over the ensuing period, to examine options of future service provision, whilst examining cost savings.

1.0 Introduction

- 1.1 As part of the 2010/11 budget process, Officers have been asked to prepare a report on savings options in respect of the Museums Service.

2.0 General

- 2.1 The Museums Service in Lancaster has since 2003 been the subject of a Partnership Agreement between Lancashire County Council and Lancaster City Council. The establishment of the Museums Service Partnership Agreement came about as a result of Lancaster City Council budget deliberations for 2003/2004.

- 2.2 Lancaster City Council funds the management of three of the five major museum's heritage attractions in Lancaster. The two not funded by the City Council are Lancaster Castle and the Judges' Lodgings Museum. The City Council own and have maintenance responsibilities, for Lancaster City Museum, Lancaster Maritime Museum and the Cottage Museum. All the collections prior to the Museums agreement and those collected on behalf of the City after that agreement, belong to Lancaster City Council. All Museum staff that previously worked for Lancaster City Council were transferred to Lancashire County Council in April 2003.

- 2.3 Lancaster City Museum is housed in the late 18th century Old Town Hall, a Grade II* listed building in the heart of the city centre, Market Square. It opened as the town's Museum and Art Gallery in 1923, and since then it has collected, housed and safeguarded Lancaster and Districts' historic past. Collections range from pre-history to the present day. These include Roman archaeology and the internationally significant tombstone recently found in and purchased for the City. The City Museum also houses the Quernmore Burial - containing the largest single piece of Dark Age material discovered in the country. Evidence of Lancaster's Golden Ages, the influential Georgian period as the town flourished and the Victorian industrialist entrepreneurs that established many of the landmarks of today are all on show. The Museum has an excellent collection of fine and decorative art collected over the decades on show. In the two ground floor galleries a programme of temporary exhibitions are staged, they are wide ranging from local artists and societies to commemorating significant events and anniversaries. The City Museum is open six days per week closing on Sunday. It has free admission to all and had nearly 47,000 visitors through its doors in 2008/09 season.
- 2.4 Since 1929 the King's Own Regiment collection has also been located within the City Museum. Not only a focal point for City pride it has become an international source of information for the many people tracing their family trees. There were 63,000 visits to the King's Own website last year.
- 2.5 Lancaster Maritime Museum is situated in two buildings on St George's Quay. The first, opened in 1985, is the very grand grade II* listed Custom House built to the designs of Richard Gillow in 1764. The award winning museum was an immediate success and expanded into two of the floors of the grade II listed adjoining warehouse. Displays explore Lancaster's maritime past from the riches of trade and Georgian splendour to its infamous involvement in the slave trade. The Museum looks at Morecambe Bay from ecology and natural history to inshore and sea fishing. Visitors can discover Morecambe in its heyday as tourists flocked to the seaside with the coming of the railways. The Maritime Museum is open 7 days a week and is free to local residents and charges £3 to non residents, £2 concessions and accompanied children are free. The Maritime Museum attracted over 16,000 visitors in the 2008/09 season.
- 2.6 The Cottage Museum is in a conservation area on Castle Hill overlooked by the imposing Castle gateway. The intriguing, small 18th century cottage is spread over five floors. An intimate glimpse of humble Victorian life is in stark contrast to the neighbouring Judges' Lodgings Museum. Very popular with schools, this tiny seasonal museum had over 3,600 paying visitors in the 2008/09 season. Admission charges are Adults £1, concessions 75p accompanied children free.
- 2.7 Since the Museums Partnership Agreement in 2003 the City and Maritime museums have achieved and maintained Museums Accreditation, the profession's recognised standard. The three sites have consistently achieved the upper quartile for its Best Value Performance Indicators. 66,575 people visited the Museums in person, 157,954 people used the Museum services, enquiries or website visits and 2,835 school children had educational visits.
- 2.8 The Museums Partnership Agreement is aligned to the City Council's corporate objectives, via an annual Service Level Agreement (SLA). See Appendix A attached.

3.0 Proposal details

- 3.1 The Draft 2010/11 total net revenue budget summary for the Museums Service is:-

£714,600, of which £545,300 is paid as a management fee to Lancashire County Council

[NOTE: Based on annual throughput figures of 66,675 people (08/09), and net total revenue expenditure of £714,600, the per capita subsidy of the Museums Service is £10:72. By comparison Salt Ayre Sports Centre's annual throughput of 384,387 people (08/09), at a net total revenue expenditure of £1,317,800 (of which only £671, 600 is "controllable") represents a per capita subsidy of £3:43.

Lancaster City Council's management fee represents approximately 1/3 of Lancashire County Council's Museum Service expenditure]

- 3.2 As previously stated within the report, the Museums Service, comprising;- City Museum (including King's Own Regimental collection), Maritime Museum, and Cottage Museum, has since 2003 been the subject of a Partnership Agreement between Lancashire County Council and Lancaster City Council. Lancaster City Council undertakes the "landlord" functions as the owners of the premises and collections, and Lancashire County Council manage and operate the services. The initial Agreement was for 10 years from 1st April 2003 until 31st March 2013.
- 3.3 It is a condition of the Partnership Agreement between Lancashire County Council and Lancaster City Council that either party gives a full twenty-four months notice of intent to terminate the above Agreement. In the event of terminating the Agreement between Lancashire County Council and Lancaster City Council in respect of the Museums Service, there would be additional operational (including HR) implications as well as the current landlord implications for Lancaster City Council.
- 3.4 Notwithstanding the Agreement referred to above, the City Council Head of Cultural Services has been in discussion with the County Council Museum Service to determine and examine potential saving options for the Museums Service in Lancaster. The County Council's preliminary response has been that there are no grounds for amending or terminating the Partnership Agreement within the terms of the originally agreed timescale i.e. 10 years from 2003.

4.0 Details of Consultation

- 4.1 This report was prepared following a request to officers, as part of the 2010/11 budget process, to prepare a report on savings options in respect of the Museum Service.

5.0 Options and Options Analysis (including risk assessment)

- 5.1 **Option A** - That Cabinet instruct officers to enter into formal negotiations with Lancashire County Council to review and revise the Museums Partnership agreement, with a view to the City Council securing on-going revenue reductions.

Notwithstanding the Agreement referred to above, the City Council Head of Cultural Services has already been involved in informal discussion with the County Council Museum Service to determine and examine potential saving options for the Museums Service in Lancaster. As previously stated, the County Council's preliminary response has been that there are no grounds for amending or terminating the Partnership Agreement within the terms of the originally agreed timescale i.e. 10 years from 2003.

Based on the above, it is unlikely that cost savings would accrue in 2010/11 or 2011/12.

- 5.2 Option B** - To retain the current level of Museums Services within the District, via the existing Partnership Agreement with Lancashire County Council.

There would be no financial savings to the City Council.

- 5.3 Option C** - To issue Lancashire County Council with twenty-four months notice from 1st April 2010, of Lancaster City Council termination of the Partnership Agreement (i.e. to be implemented after 31st March 2012), and for officers of the City Council over the ensuing period to examine options for bringing the Museums Service back into City Council operation, whilst also examining savings options

Based on the above, no cost savings would accrue in 2010/11 or 2011/12, but based on indicative savings options, as set out below, there may be budget reductions with effect from 2012/13.

Option	Estimated saving
Charge, non-residents, admission to the City Museum	£32,000
Close the Maritime Museum on Sundays	£13,500
Reduce museums to 5 day per week opening	£12,000
Operate Cottage Museum with "volunteers"	£4,800
Remove "acquisitions" budget	£3,000
Reduce administration establishment by 1 post	£23,600
Reduce central design establishment by 1 part-time post	£12,500

The projected savings (for illustration), if all were implemented would be in the region of £100,000 per annum. However, it must be noted that the options require more detailed appraisal and consideration of potential consequential issues, such as fewer admission numbers (therefore, failure to achieve income levels), and HR implications (TUPE transfer, redundancy), etc. It also has to be acknowledged that within the remaining period of the Museums Service Partnership Agreement, would require a negotiated agreement between the City and County Council on any or all of the above.

It may also be that there are other more radical options, including rationalising the number of museum buildings that the City Council operate/offer. Such options would also be considered further within the period of termination of the Partnership Agreement (i.e., 2010/11 and 2011/12).

Depending on Cabinet's view on the type of options put forward it is likely that the City Council would need to engage specialist advisors, in particular where there are ramifications in terms of Disposal and Curatorial issues, etc.

6.0 Officer Preferred Option (and comments)

- 6.1 Option C is the preferred officer option in that it both retains service provision whilst also offering potential savings.

7.0 Conclusion

- 7.1 The report raises significant issues in terms of determining Value -Vs- Cost in maintaining publically accessible cultural/museum service facilities within the District.

RELATIONSHIP TO POLICY FRAMEWORK

The Museums Service is an integral part of the Cultural Services “offer” within the District and impact in terms of facilities provided for residents and visitors.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

The report raises issues in respect of sustainability

FINANCIAL IMPLICATIONS

Members are advised that the options and financial information contained within this report are for illustration purposes only at this stage. The potential costs/savings of each option have not yet been possible to fully appraise, in particular whole life costing still needs to be analysed. Subject to Cabinet’s preferred option, further detailed work is required and will need to be carried out by Cultural Services in conjunction with Financial Services before any final decision is made, as part of the current budget process.

Option A

No cost savings can be achieved in 2010/11 or 2011/12 and may not be achievable in 2012/13 subject to whether County are prepared to re-negotiate terms during the current Partnership Agreement timeframe.

Option B

No cost savings would accrue during the existing 10 year Partnership Agreement timeframe.

Option C

Based only on the illustrative options in Option C, the projected potential savings from 2012/13 are estimated to be in the region of £100,000 per annum. However, these assumptions, and other possible options have not yet been verified by Lancaster City Council officers and would therefore need to be the subject of a thorough review and reported back to Cabinet prior to final approval/implementation of such changes. Nonetheless, a final decision to give notice to terminate the agreement could be taken by Cabinet. In budgetary terms, it would be assumed initially that the cost of the museums service would remain the same, until such time as further reports and decisions are taken regarding specific savings proposals.

SECTION 151 OFFICER’S COMMENTS

Members are advised to consider any proposals in context of their proposed priorities, relevant existing or emerging policy, and the Council’s financial prospects. In particular, this is to ensure that value for money is considered, as well as affordability.

LEGAL IMPLICATIONS

Legal have been consulted and have no further comments to make

MONITORING OFFICER'S COMMENTS	
The Monitoring Officer has been consulted and has no further comments.	
BACKGROUND PAPERS	Contact Officer: David Owen
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Appendix A

Alignment of the Museums Service to the City Council's Corporate objectives.

Safe and Healthy Communities

Through its many forms of interpretation, education and entertainment the Museums Service offers individuals a sense of belonging and wellbeing. Looking at the past, present and future of this area - and its people/communities – the Museum Service encourages a sense of ownership and civic pride.

Work has focussed on health and wellbeing in a number of ways and is easily available to residents of the Lancaster City Council area – the City Museum is free entry and the Maritime Museum is free to local residents. The small Cottage Museum has a very nominal entry charge. NB all paying Museums are free for accompanied children. All staff working with children and vulnerable adults are vetted via the CRB scheme to ensure that a safe and welcoming environment is provided for all museum users.

Exhibitions highlighting the environment:-

- Cycling Exhibition at the City Museum covered environmental issues and highlighted healthy living and lifestyle choices 24.01.2009 - 18.04.2009
- Waterlink: Lancaster Canal past, present and future - Maritime Museum 26.09.2009 – 25.01.2010
- Natural Curiosities – an exhibition on the wildlife of the county and its historical and contemporary study (touring exhibition originated by Lancashire County Museum Service)
- Tales of the River Bank (planned spring 2010 at Maritime Museum) – viewing the local environment through historic and recent fine art interpretations
- Worse Things Happen at Sea – an exhibition and a computer interactive highlighting the dangers of Morecambe Bay. (£3,500 Renaissance NW grant funding)
- M6:50 an exhibition marking the 50th Anniversary of the country's first motorway with many associated views on environmental impact

A number of sports, arts and heritage related projects are rolled out throughout the year, targeting specific user groups. These are intergenerational – building communication routes and enabling understanding and mutual respect to develop and grow – or single groups only. Specifically within the Lancaster City Council area these have included:-

- Romans in Lancaster – tying into the installation of the recently discovered and conserved Roman tombstone at the City Museum
- Cycling – events programme
- ABOLISHED? – schools and young people's projects around issues of slavery
- Young Roots – Morecambe based project with disadvantaged young people

The Museum Service's schools offer reinforces all the work around identity, heritage and community cohesion within the KS1- 3 range.

Support our local economy

The Museum Service plays a key role in the tourist economy of Lancaster and the District, offering a range of destinations and events/activities.

Visitors to the three Lancaster City Council funded Museums numbered 66,575 for the year 2008/09. Visitor figures - at this stage in the year - are 10% up on those of last year. Web "hits" on the King's Own, City, Maritime and Cottage Museums numbered 63,868.

Lancashire County Museum Service provides, through its Marketing team, a coherent marketing strategy for the heritage cluster in Lancaster – both City and County owned venues – and across the whole of the County. This offers mutual benefit and scope for drawing in audiences that are visiting other venues within the service. This cross marketing work is reinforced by the popular, promotional "Xplorer" ticket offered across all these venues.

The North West Development Agency identified Lancaster as a location where strategic development in heritage-related tourism infrastructure can stimulate economic growth and deliver regeneration benefits.

The Museum Service works widely with partners to deliver all its programmes. The Museum Service is a key player in the Heritage Weekend, Lancaster Unlocked and (most recent) St George's Day events providing venues and specialist knowledge to support both Museums' and the City's events and activities.

The District has developed an ambitious economic vision through a strong private/public partnership. The Vision for the District recognises the key role that tourism, heritage and culture plays in the future economic prosperity of the district. It highlights the potential to fully exploit the District's tourism and heritage assets as a key 'transformational project' for the local economy.

The Museum Service is represented on the Lancaster Cultural Heritage Strategy Steering Group commissioning a £60K Cultural Strategy for Lancaster.

"The Visitor Economy is worth over £270 million to the district, supporting over 4,500 jobs, with more than 4.8 million visits a year to our main visitor destinations of Morecambe, Lancaster and the rural areas. The industry also plays a key role in economic development and regeneration".

The strategic objectives are to develop the local tourism product, actively market the district, provide high quality visitor services and integrate local destination management to improve the visitor

Clean and Green Places

The Museum Service operates out of and cares for a number of significant and buildings for the history of the area:-

- City Museum Former Town Hall Grade II listed
- Maritime Museum Custom House Grade II *
- Maritime Museum Warehouses Grade II
- Cottage Museum in a Conservation Area

The Museum Service makes every effort to provide a positive presentation on clean and green places and understand the need to tackle anti-social behaviour swiftly and effectively. Some 25 years ago the Maritime Museum development was a catalyst for change and development on St George's Quay, bringing that area of the City into prominent view.

The Museum Service buildings do challenge the access and green agendas. However, the Museum Services is committed to energy efficiency and sustainability – operating as effectively and sympathetically as possible.

Support our local communities

The Museum Service work is centered within its local community. One of its key roles is to provide a context for contemporary life, reflecting the area's past (by collecting and caring for its material culture and communal history) and offering positive approaches for the future. The Museum Service encourages a sense of belonging, civic pride and opportunity.

To help with a sense of belonging, the Service offers an in-depth history of Lancaster and the District, local families, businesses and industries that have made the area what it is today. Temporary exhibition programme, weekly talks programme at the Lancaster venues and children/family activities programme regularly cover topics around community life (historic and contemporary), the local environment and health and wellbeing. The Museums Service cover all age groups from those at Children's Centres to those in care homes for the elderly.

Recent work and achievements include:-

- Local industrialist and philanthropist - Thomas Storey. Portrait (holding plans of Storey Institute) conserved and re-framed following appeal by Friends of Lancaster City Museum.
- Internationally significant Roman altar discovered in Lancaster purchased, on behalf of the City, with £75 K of Heritage Lottery funding by the Museum Service.
- Two portraits of Abraham and his wife Ellenor Rawlinson, a significant Lancaster merchant family, bought for the City's collections (at Lancaster Maritime Museum) with funding from the MLA/Victoria and Albert Museum Purchase Grant Fund and the National Art Collections Fund.
- Morecambe Super Swimming Stadium – silver presentation model purchased for the City's collections once again with grant aid from the MLA/Victoria and Albert Museum Purchase Grant Fund.
- Family history enquiries: 50,800 website visits and 1630 enquiries to the King's Own Regiment Museum alone give some indication of the impact of the interest in family history.
- Partnership work is always important to us. Most recently we staged an exhibition on the 150th Anniversary of Lancaster Cathedral in conjunction with colleagues at the Cathedral. Work has already begun with a wide range of partners – academic, arts, heritage and tourism – looking at how to commemorate the 400th Anniversary of the Pendle Witch Trials, at Lancaster, in 2012.