

**BROMSGROVE DISTRICT COUNCIL**

**CABINET**

**1ST AUGUST 2007**

**FUTURE OF BROMSGROVE MUSEUM**

Responsible Portfolio Holder	Councillor June Griffiths
Responsible Head of Service	John Godwin

**1. SUMMARY**

- 1.1 The report has been prepared to provide information and update on the progress in the implementation of the Cabinet's decision of February 2006 to close the museum.
- 1.2 Members are advised that owing to a number of adverse factors, progress regarding the completing of the transfer of the museum and its collection to a trust or arms length organisation has encountered difficulties.
- 1.3 However, Members are advised that despite the difficulties of completing the transfer, officers have secured a suitable solution allowing the transfer of Bromsgrove Museum.

**2. RECOMMENDATIONS**

- 2.1 That the delayed progress regarding the completion of the transfer of the museum and its collection to a trust or arms length organisation, as outlined in the report, be noted.
- 2.2 That the period for the completion of the transfer be extended to 30<sup>th</sup> September 2007; and that should insufficient progress be made towards completion by this date, the museum close on 1<sup>st</sup> October 2007 and not re-open until transfer of the collection to a trust is completed.
- 2.3 That with regard to the course of action referred to in 2.2, the Portfolio holder for Culture and Community Services, the Corporate Director - Services and Head of Legal, Equalities and Democratic Services be given delegated authority to determine whether sufficient progress has been achieved.
- 2.4 That in the event it is determined that sufficient progress has been achieved, the period for the completion of the transfer be extended to 31<sup>st</sup> December 2007.

- 2.5 That the Portfolio holder for Culture and Community Services, the Corporate Director – Services and the Section 151 Officer be given delegated authority to negotiate a price for the sale of the museum building to the museum trust

### **3. BACKGROUND**

- 3.1 The Executive Cabinet resolved at its meeting of 27<sup>th</sup> February 2007 to ask officers to identify a suitable solution which would allow for the transfer of Bromsgrove Museum to a trust or other arms length organisation within three months.
- 3.2 Officers would suggest that they have identified a suitable solution that would allow for the transfer of the museum, but that the pace of the process of completing the transfer to a trust or an arms length organisation has encountered delays. The delays have been the result of several factors.
- 3.3 First, the guidance provided by the former portfolio holder in late March to meet with the donor of the collection to explore an offer from the donor to resume responsibility for the museum and the collection delayed actions with regard to pursuing transfer to a trust or arms length organisation.
- 3.4 Second, the once it was acknowledged that the transfer to the donor of the collection was a suitable solution a process had to be entered into that allowed the Council to explore with the donor a price for the museum building.
- 3.5 Third, the slow pace of transfer was compounded by the provision of legal advice to the Council that the Charities Act 1993 specifies that the museum collection can only be transferred to a trust or charity and not to a private individual.
- 3.6 Fourth, this led to the need to enter into negotiations with the donor regarding these conditions and last, the process slowed further by the unavailability of the donor and or their legal advisor owing to their holiday arrangements.
- 3.7 The donor remains interested in re-assuming responsibility for the collection. The donor has instructed his legal adviser on this matter and it is anticipated that a trust will be established. Unfortunately, the unavailability of the donor and their legal adviser has had the effect of delaying work on establishing the trust.
- 3.8 The process of transfer has already been slower than thought necessary. Officers are proposing that the donor be issued with a deadline. It is suggested that if the donor has not made significant progress in the establishment of the trust by 30<sup>th</sup> September 2007 the museum should be

closed and only re-opened when the process of transfer has been completed.

- 3.9 It is suggested that powers be delegated to the Culture and Community Portfolio holder, the Corporate Director – Services and the Head of Legal, Equalities and Democratic Services to determine whether sufficient progress has been achieved.
- 3.10 If it is determined sufficient progress has been achieved then Cabinet should approve a further extension of the deadline to not later than 31<sup>st</sup> December 2007. If sufficient progress has not been achieved the museum should close on 1<sup>st</sup> October 2007.
- 3.11 It is proposed that power be delegated to the Culture and Community Portfolio holder, the Corporate Director – Services and the Section 151 Officer to negotiate a price for the sale of the museum building to the museum trust.
- 3.12 On completing the sale of the property to the trust agreement should be reached on a revenue payment to the trust by the Council and plans prepared for the transfer of the Tourist Information Centre to an alternative location.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The 2007/08 budget in respect of the museum and tourist information centre equates to £65,800 including all support and capital charges and would provide funding for a financial year.
- 4.2 The valuation of the property for office accommodation places a value of £375,000 on the premises occupied by the museum. If sold at this value the capital receipt would be invested by the Council and has the potential to raise income of £20,000 pa. The receipt would not be ring fenced and could be used for capital projects in the district.
- 4.3 The Council has not made any allowance in its budget for a revenue grant to the museum. Any request for additional funds would have to be linked to the priorities of the Council and during 2007/08 would have to be self funding.

#### **5. LEGAL IMPLICATIONS**

- 5.1 The museum collection cannot be transferred to a private individual. The Charities Act 1993 will guide the process of transfer of the collection and property.

## **6. CORPORATE OBJECTIVES**

- 6.1 Members need to consider the issue of the museum in relation to the Council's priorities. The Council was criticised in its CPA for not linking expenditure sufficiently to its priorities. In relation to priorities it is clear that the museum provides a service to the community and closure would impact detrimentally on customer service and its reputation. In addition disposal of the museum is also likely to positively affect performance.

## **7. RISK MANAGEMENT**

- 7.1 The paramount risk to the District Council is that unless action is taken to address the position of the museum's management the potential exists for legal action against the council. However, the current arrangements appear unsustainable and levels of usage are currently low and may even be falling.
- 7.2 It is essential that the District Council pursued due diligence in any decisions about the future of the museum and obtains appropriate legal advice on transfer or dissolution.

## **8. CUSTOMER IMPLICATIONS**

- 8.1 Closure of the museum would remove a service to the community. However, current visit figures indicate a low level of interest in the facility.
- 8.2 The recommendation to transfer management of the museum to a trust would retain the service to the customer, reduce the financial costs to the Council and possibly inject new enthusiasm into the promotion of the facility.

## **9. OTHER IMPLICATIONS**

Procurement Issues - None
Personnel Implications – Possible redundancy of museum staff
Governance/Performance Management – Remove responsibility for the management of the museum
Community Safety including Section 17 of Crime and Disorder Act 1998
Policy - None
Environmental - None

Equalities and Diversity - None

**10. OFFICERS CONSULTED ON THE REPORT**

Chief Executive	<b>Yes</b>
Corporate Director (Services)	<b>Yes</b>
Assistant Chief Executive	<b>Yes</b>
Head of Service	<b>Yes</b>
Head of Financial Services	<b>Yes</b>
Head of Legal & Democratic Services	<b>Yes</b>
Head of Organisational Development & HR	<b>Yes</b>
Corporate Procurement Team	<b>No</b>

**CONTACT OFFICER**

Name: Phil Street  
E Mail: p.street@bromsgrove.gov.uk  
Tel: (01527) 881202