

# Executive

## Banbury Museum Trust Project Developments

3 September 2012

### Report of Head of Community Services

#### PURPOSE OF REPORT

The report highlights the work of the Banbury Museum Trust Project Board in developing an independent organisation to run the service and the costs associated with this process

This report is public
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#### Recommendations

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The Executive is recommended:

- (1) To approve the selection of Mr Bob Langton to the role of Shadow Board Chairman.
- (2) To approve the Deputy Leader as the Council's nominated representative on the Shadow Trust Board.
- (3) To approve a budget of £20,000 to enable the project to be delivered.

#### Executive Summary

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##### Introduction

- 1.1 The Executive agreed to pursue the recommendations of the Value for Money review of Culture and Heritage Services in October 2011, one of which was to set up an independent body to run Banbury Museum. The Project Board has met regularly to oversee the further development of the business case and to keep the project moving forward.
- 1.2 The refinement of the business case has identified some of the complexities involved in transfer of the service to a new independent organisation and resulted in an upward revision of the costs associated with implementing the project from £15,000 to £20,000.

## **Proposals**

- 1.3 Most recently an advertisement for a Shadow Board Chairman has produced experienced voluntary candidates and, following an interview process, the Museum Project Board is recommending one of those for appointment.
- 1.4 Following on from the ratification of the appointment of Shadow Board Chairman, there is a process outlined to identify and secure other trustees over the coming three months. The aim of the Shadow Board Chairman is to select a Board of appropriate people with specific skills, not only in heritage related matters but also legal, finance, marketing and sales, property and fundraising who will be able to volunteer sufficient time to support the establishment of an independent organisation.
- 1.5 It is envisaged that the Shadow Board of Trustees will comprise at least 5 members, including one Cherwell District Council Member representative. The number of Council Members rises to two should the size of the Board increase to 10 or larger. For the purpose of on-going working with the Shadow Board it is proposed that the Deputy Leader (or relevant Lead Member responsible for the Arts and Visitor portfolio) be nominated by the Executive for this purpose. Should a second Council Member be required then this will be further considered.
- 1.6 It is hoped that many of the Shadow Board will stay committed to the Museum following the establishment of a permanent independent body, which is envisaged in the second quarter of 2013/14.

## **Conclusion**

- 1.7 The Executive at its meeting on 3 October 2011 agreed in principle the transfer of Banbury Museum to independent status, knowing this preserves a valuable and visited cultural asset for local residents whilst securing some financial benefit to the Council.
- 1.8 Trust status will also enable service development and new fundraising potential to be tapped into. The first step towards independence is the creation of a Shadow Board. The Executive are asked to ratify the appointment of the Shadow Board Chairman (who will in turn seek other trustees), and to approve the Deputy Leader (or Lead Member responsible for Arts and Visitor Services should Lead responsibilities change) as the Council's nominated Shadow Board Member.
- 1.9 Specialist and independent advice must be made available to the Shadow Board to ensure the probity of the transfer, the costs of which will be met from a fund established specifically for that purpose.

## **Background Information**

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- 2.1 The original report from DCA Consultants, commissioned as part of the Value for Money review, identified a range of £75-£125k of implementation costs, based on the experience of councils transferring their Museum Service to independent trust status.
- 2.2 Previously it was thought possible to secure much of the advice necessary from in house sources and so a minimal budget of £15,000 was identified and agreed. Whilst it remains the case that much information/advice can be provided in-house, there is a need to ensure the Shadow Board, and the move to trust status, is based on independent advice which stands the test of inspection and scrutiny from the Charity Commissioners. This should ensure that the project is not delayed nor additional unplanned expenditure incurred at a later date should there be a requirement to have information provided in the submission documents independently audited or verified.
- 2.3 A greater budget of £ 20,000 in total is therefore suggested to cover the costs of engaging specialist advisors to the Shadow Board to see this project to fruition. Included within this will be specialist legal advice on shaping the preferred Trust vehicle (Charitable Incorporated Organisation, whose long anticipated availability is expected autumn 2012), and specialist VAT and trading advice to ensure the financial viability of the independent body. This will be funded from the corporate change reserve as it meets the criteria of a spend to save initiative.

## **Key Issues for Consideration/Reasons for Decision and Options**

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- 3.1 The interview panel considered the candidates before them against a range of stringent criteria covering previous experience and expertise in a comparable role as well as personal interest in the cultural sector. They selected Mr Bob Langton as their preferred candidate having scored highly against the majority of the person specification for the role.

The following options have been identified. The approach in the recommendations as per Option 2 is believed to be the best way forward

**Option One** To continue without any further independent and specialist advisors; and to make alternate recommendation on appointment of Shadow Trust Board Chairman and the Council's nominated representative.

**Option Two** To engage external and independent advice and approve the appointment of the Shadow Trust Board Chairman and the Council's representative to the Shadow Board as set out in this report.

## Consultations

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<b>Oxfordshire County Council</b>	Have been consulted on the Council's plans for the Museum Service as they have a key interest as owners of much of the exhibition material. They have no objections to the plans.
<b>National Heritage Lottery Fund</b>	Have been consulted with regard to the Lottery Grant and will be further consulted as plans progress.
<b>Museum Trust Project Board</b>	Have further developed the Business Case.

## Implications

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<b>Financial:</b>	<p>The project has confirmed the initial savings target of £64,000 is achievable from mid 2013/14 onwards. The £20,000 budget required to achieve this can be funded through the change reserve as it meets the spend to save criteria for use.</p> <p>Comments checked by Karen Curtin, Head of Finance and Procurement, 01295 221551.</p>
<b>Legal:</b>	<p>There are no legal issues arising from this report, but the need for specialist trust/tax advice to meet requirements that either cannot or should not be met in-house is endorsed by the Head of Law and Governance</p> <p>Comments checked by Richard Hawtin, Team Leader, Property and Contracts 01295 221695</p>
<b>Risk Management:</b>	<p>A formal Project Risk Log has been put in place setting out the risks identified and the mitigation proposed. It has been one of the tasks of the Project Team to consider these and reports are presented to the Project Board which is responsible for oversight and decisions on risks.</p> <p>Comments checked by Gavin Halligan-Davies, Interim Community and Corporate Planning Manager 01295 221563</p>

## Wards Affected

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All

## Corporate Plan Themes

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**A Value For Money Council  
A District of Opportunity**

**Executive Lead Member**

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**Councillor George Reynolds**  
**Deputy Leader**

**Document Information**

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<b>Appendix No</b>	<b>Title</b>
None	
<b>Background Papers</b>	
Culture and Heritage Value for Money review 2011 Cherwell District Council Executive report 3 October 2011 Project Risk Log	
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