

EXECUTIVE BOARD – 20 January 2015

Subject:	Approval of Arts Council Grant Aid and Associated Expenditure 2015-18		
Corporate Director(s)/ Director(s):	John Kelly – Corporate Director Community Services Hugh White – Director Sport & Culture		
Portfolio Holder(s):	Councillor David Trimble – Portfolio Holder for Leisure and Culture		
Report author and contact details:	Ron Inglis, Service Manager Museums & Galleries, 0115 876 1400, Ron.inglis@nottinghamcity.gov.uk		
Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Subject to call-in	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons: <input type="checkbox"/> Expenditure <input checked="" type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total value of the decision: £1,393,527 (over 3 years 2015 – 2018)			
Wards affected: Citywide		Date of consultation with Portfolio Holder: 15 December 2014	
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input checked="" type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input checked="" type="checkbox"/>
Support early intervention activities			<input type="checkbox"/>
Deliver effective, value for money services to our citizens			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
<p>The award of substantial revenue funding for the Museums & Galleries Service to 2018 will support the Service Strategic Plan by Arts Council England (ACE) support for a range of community programmes and improvements to sites. It will also support schools learning and community volunteering activity.</p> <p>Sustainability will be a key element of the funding programme, with 100% dedicated support for posts to support fundraising and commercial activities and provide an Assistant Miller for succession planning at Greens Mill. Programme funding will also make collections and sites more accessible to users through digital engagement and other activity.</p>			
Exempt information:			
None			
Recommendation(s):			
<p>1. To accept Arts Council England revenue funding for the Museums & Galleries Service 2015 – 2018 of £1,393,527, as detailed in the report, and to authorise expenditure for the approved purposes included within the attached appendix A within the ACE standard conditions of acceptance.</p> <p>2. To authorise further fundraising activity in support of the agreed purposes to increase the scale and impact of programmes, having regard to the need to co-ordinate all external fundraising with the Castle Development Project.</p>			

1 REASONS FOR RECOMMENDATIONS

- 1.1 The Museums & Galleries Service has been awarded a substantial revenue grant for its work by Arts Council England under the national Major Partner Museum Programme (MPM) 2015 – 2018.
- 1.2 Acceptance of the award is a key Decision, as it involves revenue income and expenditure in excess of £1 Million over the term of the grant. Authority is also sought to enable further fundraising activity from external sources to supplement the award or extend the scope of project elements.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The award for Nottingham has been made as part of a consortium bid with Derby Museums Trust and is a combined total of £2,562,197 to provide a range of activity within four broad themes which represent ACE priorities for the sector. Nottingham has been allocated 54% of the total funding for its directly-managed activity, as below:

Museums & Galleries Service Arts Council England MPM Funding 2015 - 2018	
2015 - 2016	£461,135
2016 – 2017	£466,195
2017 - 2018	£466,197
TOTAL	£1,393,527

- 2.2 The grant aid represents 100% funding for a range of posts and programmes to 2018 and will enable the Service to deliver a the community programmes and redisplay projects for museum sites sat Museums.
- 2.3 This grant follows a previous successful three-year funding allocation for the Service for 2012 – 15 under the ACE Strategic Funding Programme and will continue to support a range of key programmes, including fundraising, commercial development, digital engagement, collections development, volunteer programmes and community engagement. The grant will also enable new initiatives to be developed, including the appointment of a Curator of Rebellion to support the Castle Development project and further gallery refurbishments at Wollaton Hall.
- 2.4 The full Nottingham programme covers 22 separate projects or activities within the four themes and is detailed in Appendix A of this report.
- 2.5 The award will be subject to a further fundraising and in-kind contributions for specific projects. The in-kind contributions will include colleague time leading sessions and training for the wider museum sector. The combined total value of this will be £195,000 over the three years of the programme.
- 2.6 The grant will, in addition, be subject to a range of specific and general terms and conditions and these are included at Appendix B. Principally, as consortium partners, the Service will be subject to requirements including the need to maintain Full Accreditation status within the ACE Accreditation Scheme for Museums and Galleries, the development of a shared Audience

Development Action Plan, as well as participation in a range of ACE-funded national programmes for audience development and environmental sustainability. Full Accreditation status for the Service will be confirmed by ACE in November, while participation in the specified programmes represents an opportunity for staff participation and service development.

- 2.7 There are currently over 2,000 museums in England. The MPM programme will allocate £22.6 Million per annum to 21 MPM partners (individual museums and consortium partnerships) for each of the three years as part of the Renaissance Programme for regional museums from April 2015.
- 2.8 This award therefore follows detailed consultation with Derby Museums Trust and Arts Council England and recognises the position of the Nottingham/Derby Museums Consortium as one of national standing providing professional leadership for education, families, and lifelong learning. It also recognises the quality and range of collections and the outstanding research partnerships with both Nottingham's Universities.
- 2.9 The recently-adopted Strategic Plan for the Museums & Galleries Service 2014-2018 includes the results of a range of community consultation and evaluation of programmes over the last three years, with detailed studies at the Castle and Wollaton Hall which has shaped the development of programmes for the Strategic Plan which will, in turn, be supported by the ACE funds to 2018. Specific external consultation with both East Midlands Museums Service and East Midlands Museums Development has elicited strong support for the consortium bid.
- 2.10 A grant award will be made to the consortium and both partners are required to accept a series of standard conditions for grant recipients. These will be tailored to specific outputs for both Museum partners and Nottingham City Council will be required to confirm acceptance as part of the consortium. Derby Museums Trust, as consortium lead, has responsibility for consortium grant administration and joint project funding. Reimbursement of the grant allocation for Nottingham will therefore be made by Derby Museums Trust, rather than claimed directly from Arts Council England within an agreed Memorandum of Understanding.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Not to accept the grant. The grant award offers 100% revenue support for a range of activities that include fundraising, commercial development, digital engagement, collections development, volunteer programmes and community engagement. It would not be possible to undertake these activities without the additional support of Arts Council England. For this reason, this option was rejected.
- 3.2 For the Museums & Galleries Service to apply independently for the grant funding. The Museums & Galleries Service was not eligible to apply independently or be lead applicant for the MPM programme for this round, as having a Designated Collection is a mandatory requirement for eligibility. Derby has already attained Designation status for its Joseph Wright collection. A recent application made to the national Designation Panel of ACE in respect of Nottingham's lace and lace making collections was approved in December 2014. For this reason, this option was rejected.

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 To accept this decision will cost £1,393,527, this will be financed from Arts Council England funding and be spent only on the agreed programmes as set out in appendix A.
- 4.2 The activity programme identified at Appendix A shows an anticipated contribution by the City Council through its Museums & Galleries Service of £195,000 over the three years of the programme. This comprises fundraising activity of £140,000 towards redisplay and redevelopment costs at Wollaton Hall. The Service is confident of being able to achieve and exceed this target through a combination of applications to Trusts and charities and public donations. Close liaison with the Castle Development team will take place to ensure that maximum benefit will derive for both projects and receipt of the grant will not be conditional upon achieving the external grant figure. The scale of the refurbishment would, however, require to be scoped accordingly.
- 4.3 A further £45,000 contribution is identified for the three year period of the grant. This is based on a value in kind contribution through Nottingham Museums staff in terms of advisory services or masterclasses, hosting training sessions or attending/hosting seminars for the wider museum sector as part of the sector leadership role which the funding confers. This is also an expectation in regard to HLF funding programmes. This provision can be contained within existing Museums budgets.
- 4.4 The HR partner has identified a maximum redundancy liability of £60,000 that could arise in 2018 at conclusion of the grant, though states that the figure is uncertain. It is expected that an application for further funding MPM funding would be submitted to Arts Council England sometime during 2016/2017 in anticipation of a further round of funding for the period from 2018 – 2021. If successful, this eventuality would not arise. However, the Service will have early warning of this eventuality and are confident that contingency action and selective redeployment, combined with regular staff turnover would reduce these costs to a manageable level. This cost will be contained within the existing Museum Services Budget.
- 4.5 The City Council has successfully managed similar schemes funded from grant for a number of years and is fully aware of the terms and conditions of the grant and as long as the City council maintains its “accredited status” this should be a minimal financial risk to the City Council
- 4.6 ACE reserves the right to treat a breach of these grant Terms and Conditions as a breach of those of any other ACE grant the Council is receiving or potentially has received. It is thought this risk is low.
(Finance advice provided by Steve Ross, Finance Analyst)

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

- 5.1 The decision to accept the grant offered needs to be made on the basis of a clear understanding of the terms and conditions attached to it. The draft funding agreement is attached hereto as Appendix B. Legal Services will, if requested, liaise with the report author to seek to ensure that the final signed version of the agreement does not place any unrealistic expectation or undue risk on the Council.
(Legal advice provided by Malcolm Townroe – Solicitor, Head of Legal Services)

5.2 Supporting the acceptance of the ACE grant will provide the service with the required funding to support a number of its key programmes and project over the next 3 years. The funding will also help secure the employment of a number of roles, some of which are already occupied whilst others are new, vacant roles. The funding will also support the service in its succession planning by supporting the on-going employment of junior roles such as the Assistant Miller. In supporting the funding, the service should be aware of potential employment-related liabilities which would include potential 'exit' costs of employees leaving the organisation, if further funding could not be secured by 2018. An exact figure for this potential liability cannot be given as there are many variables which would influence the cost, however an average cost of £4.5k per FTE based on current averages would see a potential liability of circa. £60k.

(HR advice provided by Paul Slater – HR Partner)

5.3 The programme funding will enable the improvements and timely repair of key community heritage assets. Without repair, these will become unsustainable as community assets and will potentially encourage vandalism at iconic historic sites. The targeted programmes will support learning within the community and access to services of an inclusive nature.

6 SOCIAL VALUE CONSIDERATIONS

6.1 The programme funding will enable many of the activities included within the Strategic Plan for the Service which provides social value through the improvements and timely repair of key community heritage assets and through targeted community engagement and learning activity.

6.2 Without repair, these will become unsustainable as community assets and will potentially encourage vandalism at iconic historic sites. The community engagement and volunteer programme work proposed targets a diverse range of community groups and will support learning at the City's schools.

6.3 The programme will also maintain key craft skills through the creation of an Assistant Miller post at Greens Mill.

7 REGARD TO THE NHS CONSTITUTION

7.1 Not applicable

8 EQUALITY IMPACT ASSESSMENT (EIA)

8.1 An EIA is not needed, as the report does not contain proposals for new or changing policies, services or functions.

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

9.1 Arts Council England – Draft Funding Agreement for Major Partner Museums, appendix B.

9.2 Derby Museums Trust Confirmation of MPM Consortium Grant Award 2015-2018, appendix C.

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

10.1 MPM programme and funding decisions of ACE

10.2 The ACE Accreditation Standard for Museums in the United Kingdom

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

11.1 None.