



Joint Committee for the North of England Open  
Air Museum

Date Friday 6 May 2011  
Time 10.30 am  
Venue Collections Study Room, Regional Resource Centre,  
Beamish Museum, Beamish

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Business

Part A

1. Minutes of the Meeting held on 11 March 2011 (Pages 1 - 4)
2. Accounts and Audit (England) Regulations 2011 - Report of Treasurer (Pages 5 - 8)
3. Museum Update - Report of Museum Director (Pages 9 - 10)
4. Acquisition of Lighthouse Slip from Hollycombe Steam Collection - Report of Museum Director (Pages 11 - 18)
5. Presentation on School Groups by Simon Woolley, Head of Learning and Access
6. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.
7. Any resolution relating to the exclusion of the public during the discussion of items containing exempt information.

## Part B

Items during which it is considered the meeting will not be open to the public (consideration of exempt or confidential information)

8. Business and Operational Improvement Plan Capital Project Progress Report - Report of Museum Director (Pages 19 - 38)
9. Such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration.

**Colette Longbottom**  
Secretary to the Joint Committee

County Hall  
Durham  
**26 April 2011**

To: The Members of the Joint Committee

Councillors J Bailey, J Blakey, D Boyes, C Carr, D Farry, P Gittins, S Iveson, C Marshall, D Marshall, P May, A Naylor, J Shuttleworth, L Thomson, D Stoker, R Todd, J Wilkinson, J Wilson and A Wright  
(Durham County Council)

Councillors Norman Callender (Gateshead MBC), Bob Goldsworthy (Gateshead MBC), Linda Green (Gateshead MBC), Shirley Mortimer (North Tyneside MBC), Tracey Dixon (South Tyneside MBC), Alan Kerr (North Tyneside MBC), Nancy Maxwell (South Tyneside MBC), Richard Bell (Sunderland City Council), David Errington (Sunderland City Council), Thomas Foster (Sunderland City Council), John Kelly (Sunderland City Council), Dennis Richardson (Sunderland City Council), James B Scott (Sunderland City Council), John Scott (Sunderland City Council), Mel Speding (Sunderland City Council), Peter Walker (Sunderland City Council) and Denny Wilson (Sunderland City Council)

Co-opted Members (Non-Voting)

*Beamish Development Trust* - Sarah Stewart, Simon Gray and Edna Hunter

*Friends* - Alan Ashburner and Malcolm Dix

**JOINT COMMITTEE FOR THE NORTH OF ENGLAND  
OPEN-AIR MUSEUM**

At a Meeting of the Beamish Joint Committee held in the Collections Study Room, Beamish Museum, Beamish on Friday 11 March 2011 at 11.00 a.m.

**Present:**

**Councillor D A Marshall (Chairman)**

**Members of the Committee:**

Councillors C Marshall, P May, Wilkinson and Wright (Durham County Council), Callender and Goldsworthy (Gateshead MBC), Mortimer (North Tyneside MBC), Stephenson (South Tyneside MBC) and Bell, Foster and Richardson (Sunderland City Council)

**Co-opted Members:**

*Friends* – Mr A Ashburner and Mr M Dix

**Apologies:**

Apologies for absence were received from Councillors Bailey, Blakey, Boyes, Carr, Farry, Gittins, Iveson, Naylor, Shuttleworth, Stoker, Thomson, Todd, Wilson (Durham County Council) Green (Gateshead MBC), Dixon, Kerr, Maxwell (South Tyneside MBC), Errington, Kelly, J B Scott, J Scott, Speding, Walker and Wilson (Sunderland City Council), and Mrs Stewart, Mr Gray and Mrs Hunter (Development Trust)

**1. Minutes of the Meeting held on 14 January 2011**

The minutes of the meeting held on 14 January 2011 were confirmed as a correct record and signed by the Chairman.

**2. Museum Update**

The Joint Committee received a report from the Museum Director which provided an update on Museum business (for copy see file of Minutes).

*Performance* – The Museum Director reported that although the Museum had been affected by inclement weather at the close of 2010, the revised revenue budget forecast for the financial year had actually been exceeded. Furthermore, there had been a significant increase in visitor numbers compared to the same period for the previous year. This was attributed in part to the ice rink which had featured in the Pit Village which was regarded as a great success.

*Beamish MuseumLtd provisional outturn for 2010/11* – It was reported that the provisional outturn for the year 2010/11 indicated an operating surplus of over £700,000. The Museum Director advised of a quite dramatic increase in catering income, although retail income had not displayed such an increase, a probable result of the current economic situation. £500,000 of the surplus would be

allocated to the capital development programme with the remainder to be held in the Museum's reserves.

**Resolved:-**

That the recommendations contained in the report be approved.

### **3. Revenue Budget Review 2010/11 and Draft Revenue Budget 2011/12**

The Joint Committee received a report of the Museum Director and Museum Treasurer the purpose of which was to review the Revenue Budget for 2010/2011 to reflect developments which had occurred since the revised budget had been approved and also to approve the Draft Revenue Budget for 2011/2012 (for copy see file of Minutes).

The Joint Committee were advised on how the loan arrangement would work, taken on to fund the capital cost of the Edwardian Fairground. Attention was also drawn to the confirmed contributions which would be received from the five constituent authorities.

**Resolved:-**

- (i) That the revised Revenue Budget for the Joint Committee for 2010/2011 shown at Appendix A be approved.
- (ii) That the Draft Revenue Budget for the Joint Committee for 2011/2012 shown at Appendix A be approved.

### **4. Disposal of Collections**

The Joint Committee considered a report from the Special Projects Manager and the Museum Director which formally requested the de-accessioning or transfer of items currently in the Museum collections (for copy see file of Minutes).

J Rees, Special Projects Manager, advised that it was periodically necessary for a museum to review its holdings and deaccession, transfer or dispose of any such holdings which were duplicated in the collection, in a poor state or simply no longer of use to Beamish Museum. He went on to explain that disposal seldom meant destruction and items would be offered to registered Museums, charities, trusts and public bodies, however there was a possibility that some items would have to be disposed of or scrapped. Any monies raised from disposals were legally required to be spent for the benefit of the Museum's wider collections.

**Resolved:-**

That the deaccessioning and transfer or disposal of the items listed in the report be approved.

## **5. Management of Woodland for Biomass Heating**

The Joint Committee considered a report from the Museum Director regarding proposals to utilise the woodlands which surrounded Beamish with a view to enhancing the sustainability of the site whilst reducing energy costs and consumption (for copy see file of Minutes).

The Museum Director advised that following initial discussions with Durham County Council it had been suggested that Beamish could take on management of a number of woods in the area. As such it was proposed that those areas should be subject to a survey in order to ascertain the potential of each wood for biomass fuel, wildlife habitat, biodiversity and community/educational use.

**Resolved:-**

That the strategy outlined in the report in principle, including the commissioning of a survey of the woodland owned by Durham County Council in order to inform the potential transfer of the land to the Joint Committee, be approved.

## **6. Internal Audit Operational Plan for 2011/12**

Consideration was given to a report of the Treasurer which detailed the proposed Internal Audit Operational Plan for 2011/2012 (for copy see file of Minutes).

**Resolved:-**

That the Internal Audit Operational Plan for 2011/2012 be noted

## **7. Presentation on the New Museum Website**

A presentation of the updated museum website was delivered to the Joint Committee by the Museum's Development Manager (for copy see file of Minutes).

Attention was drawn to new features on the website such as the inclusion of a News Alert banner and a new calendar based booking system. A demonstration of the Peoples Collection search page was also provided.

## **8. Exclusion of the Public**

**Resolved:-**

That under Section 100 A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the said Act.

9. Feedback from the Joint Committee's Long-term Planning Workshop, held on 14 January 2011

The Joint Committee received a report from the Museum Director which provided an unedited summary from the workshop held with members on 14 January 2011 (for copy see file of Minutes).



JOINT COMMITTEE – 6th May 2011

ACCOUNTS AND AUDIT (ENGLAND) REGULATIONS 2011

REPORT OF THE TREASURER

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**1. Introduction**

- 1.1 The Accounts and Audit Regulations are made under section 27 of the Audit Commission Act 1998 and include important provisions on financial management, the form of the annual published accounts, and procedures connected with the approval and publication of the annual accounts and the conduct of the audit. They apply to all major local authorities and other local public bodies in England.
- 1.2 In January 2011, the Department for Communities and Local Government (DCLG) consulted local authorities on proposals to revise and consolidate the Accounts and Audit Regulations 2003 and four amending instruments. The consultation process ended on 4 March 2011 and the DCLG subsequently confirmed that the Accounts and Audit (England) Regulations 2011 would come into force on 31 March 2011. The purpose of this report is to inform Members of the impact to the Joint Committee of the revised Regulations.

**2. Accounts and Audit Regulations 2011**

- 2.1 The Regulations came into force on 31 March 2011, which means that they will apply to the preparation, approval and audit of statements of accounts prepared in respect of the year ending 31 March 2011 and subsequent years. They have been restructured to separate out provisions on the annual accounts applying to smaller and larger public bodies.
- 2.2 Smaller relevant bodies are permitted by the regulations to prepare simpler published accounts than the larger bodies, and are also subject to less demanding procedural requirements. In addition, under arrangements made by the Audit Commission such bodies are subject to a limited assurance audit regime.

- 2.3 Prior to the 2011 Regulations, to be classified as a smaller relevant body, a body had to have gross income or expenditure (whichever was higher) of less than £1m in the year of account or in either of the two preceding years. This threshold has been revised under the 2011 Regulations, so that the limit is based on the thresholds laid down by companies' legislation in the definition of small companies. Under Regulation 2(1) a body can be classified as a smaller relevant body if its gross income or expenditure (whichever is the higher) is no more than £6.5m.
- 2.4 The revised threshold means that the Joint Committee can be classified as a smaller body for the preparation of the 2010/2011 statement of accounts. This will reduce the administrative burden previously placed on the Museum as they will be subject to less demanding requirements for accounting and audit and the audit fees will be lower than those for previous years as a result, although we are still waiting for confirmation of the proposed fees applicable.
- 2.5 The smaller relevant body must observe certain requirements which are set out below for information:
- Prepare for each year an income and expenditure account and a statement of balances, in accordance with, and in the form specified in any Annual Return required by proper practices in relation to the accounts, or  
Prepare a statement of accounts in accordance with the regulations, as if they applied to smaller relevant bodies;
  - The accounting statements must be approved by the full Joint Committee before 30<sup>th</sup> June of each year (subject to audit) and the audited statements by 30<sup>th</sup> September of each year;
  - The approval in June referred to above has been clarified to mean that the Joint Committee is approving the accounts and annual report submitted to the auditors and is, not as such, final approval of the accounts which takes place on or before 30<sup>th</sup> September;
  - The explicit requirement to review the effectiveness of internal audit has been removed for smaller bodies, however this review should be considered as part of the overall review of internal controls that must be carried out annually;
  - Smaller bodies also have the option of making the financial documents and records available at 'reasonable times' during the 20 day notice period. The Joint Committee therefore does not need to display the times and days the records are to be made available on the notice but must provide electors with a phone number to contact the relevant finance officer and then provide as appropriate the necessary details. If the contact information was made available on the Beamish website for example then this would save on advertising costs and yet would still comply with the new



regulations.

### **3. Recommendations**

3.1 Members are requested to:

- Note the implications of the Accounts and Audit Regulations 2011.

**Malcolm Page**  
**Treasurer**

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**JOINT COMMITTEE OF BEAMISH MUSEUM – 6<sup>th</sup> May 2011**

**MUSEUM UPDATE: REPORT OF THE MUSEUM DIRECTOR**

**1. Performance for the period 1<sup>st</sup> February to 31<sup>st</sup> March 2011 (2 months)**

Beamish Museum Ltd

|                                                                                                            | Actual YTD<br>2011/12 | Budget YTD<br>2011/12 | Previous Year<br>2010/11 |
|------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|--------------------------|
| Visitor numbers                                                                                            | 33,139                | 24,000                | 29,403                   |
| Variance (%)                                                                                               |                       | 38%                   | 13%                      |
| Income<br>Beamish Museum Ltd &<br>Beamish Museum Trading<br>Ltd income (excluding<br>grants and donations) | £274,458              | £323,658              | £254,329                 |
| Variance (%)                                                                                               |                       | -15%                  | 8%                       |

- 1.1 The Museum ran a very successful ‘Children’s Strike’ event in February half term, linking with schools and community groups in Washington. 10,308 attended the event over the 7 days of half term. Beamish attracted 15,625 visitors in February 2011 – the best result the Museum has ever had. The budget for the month was 10,000, and the Museum attracted 12,689 in the same period last year.
- 1.2 Boosted by favourable early spring weather, visitor numbers during March have also been encouraging. The Museum welcomed 17,514 visitors in the period 1<sup>st</sup> to 31<sup>st</sup> March, compared with 16,714 in the same period last year. The budget forecast for the month of March was 14,000.
- 1.3 Overall, across both BML and BMTL income to the end of March is 8% up on last year but 15% down on budget. This discrepancy is due to an error in the calculation of the admission budget for February and March 2011. When the original budgets were prepared in October 2010, it had been assumed that the all year round Beamish Unlimited ticketing scheme would commence on 1<sup>st</sup> February 2011, when in fact it came into effect on 1<sup>st</sup> April 2011. The error only applies to the two month period to the end of March 2011. The budget forecast for 2011/12 has been reviewed and it is felt that the shortfall will be made up in the coming

months. The estimate for the 12 month period to 31<sup>st</sup> January 2012 remains accurate at this stage.

1.4 Visitor numbers in April have continued to be very encouraging. The Museum held a very successful event from 14 – 17 April, the Great North Steam Fair. 12,796 visitors attended the event over the four days, enjoying a spectacular variety of working steam engines around the site.

## **2. Request for additional funding for Coal Fired Fish and Chip Shop from the Capital Development Reserve**

2.1 The Joint Committee is requested to approve additional funding totalling £40,000 from the Museum's Capital Development Reserve to assist with the cost of reconstructing the coal fired fish and chip shop in the Pit Village.

2.2 The project risks, current commitments and anticipated future fit-out costs were reviewed in March 2011. Following this review the cost of the project has increased to a revised total of £310,000 as at 31<sup>st</sup> March 2011, as a result of a number of unforeseen variations taking into account additional building works and internal fit out costs, to ensure the Museum creates a high quality period experience. This building now features a gas engine chipper and three ranges. Works are nearing completion and the building will be handed over to the Engagement team on 9<sup>th</sup> May 2011 to prepare for operation this summer.

2.3 The Museum Treasurer has been consulted and the Capital Development Reserve currently has unrestricted funds totalling £137,029 available for investment in the Museum. Additional funding of £40,000 would reduce this reserve to a revised total of £97,029

## **3. Priorities for April/May 2011**

- Continue to monitor performance weekly against targets.
- Complete the new audio visual introductory exhibition in the Entrance Building
- Complete tea room refurbishment and entrance building re-modelling, including external works
- Complete the coal fired fish and chip shop and prepare for opening in June/July 2011
- Confirm workshops around the region to support the development of a long term development plan.
- Prepare briefs for external consultants to support the long term business and development plan where and when needed, including market research and business planning.

**Richard Evans**  
Director

18<sup>th</sup> April 2011



**JOINT COMMITTEE OF BEAMISH MUSEUM – 6<sup>TH</sup> MAY 2011**

**ACQUISITION OF A LIGHTHOUSE SLIP FROM THE HOLLYCOMBE STEAM COLLECTION**

**REPORT OF THE MUSEUM DIRECTOR: RICHARD EVANS**

1. The Museum has been offered a Lighthouse Slip (Helter Skelter) from the Hollycombe Steam Collection in Hampshire, to enhance the attractions in Beamish's Edwardian Fairground.
2. It is recommended that the Lighthouse Slip be transferred to Beamish from the Hollycombe Working Steam Museum and accessioned as a working object in the Beamish collections. The transfer will take place without cost since it is between two registered museums, in accordance with Museum Libraries and Archives Council guidelines.
3. Museum staff have visited the Hollycombe Working Steam Museum to view the object and discuss the transfer with their staff. The Lighthouse Slip is generally in good order but will require some further restoration work to the timbers and statutory testing as a fairground ride, prior to it being brought into operation at Beamish. It is proposed that the work be carried out in-house by the Museum Joiner over 2011/12, with a view to opening in summer 2012.
4. The Hollycombe Working Steam Museum received a grant from the Heritage Lottery Fund in 1998, which included a grant payment for some restoration work to the Lighthouse Slip. As is normal in such circumstances, following the award of grant the HLF placed a number of conditions upon the Hollycombe Working Steam Museum, including a requirement for it to be kept to a reasonable standard of repair in the future. The agreed economic life of the object is stated as indefinite in the contract and the conditions remain in place for this period.
5. The Heritage Lottery Fund (HLF) has approved the transfer to Beamish in principle, providing that Beamish Museum inherits the grant conditions that the HLF agreed with the Hollycombe Working Steam Museum in 1998. A tripartite legal deed has been drafted by the HLF between the three parties (HLF/Beamish/Hollycombe Working Steam Museum). The deed is attached as appendix A to this report.
6. The deed discharges the Hollycombe Working Steam Museum of its obligations to the HLF with respect to the Lighthouse Slip, and confirms the HLF's approval of the

transfer. It also explains that Beamish accepts liability for the HLF grant conditions, including the obligation to keep the object insured and in a reasonable state of repair. The HLF conditions are in place for an indefinite period from the date of the original grant contract (1998).

7. The Secretary of the Joint Committee has reviewed the draft tripartite agreement attached as appendix A, and recommends that the agreement be made clearer to ensure it explicitly states that Beamish, the North of England Open Air Museum does not inherit any responsibility for breach of grant conditions by Hollycombe Working Steam Museum occurring prior to the transfer. Agreement is being sought to amend Clause 2 of the deed to conclude with the proviso that "Provided that Beamish shall not be liable for any breach of condition by the company occurring prior to the date of this Agreement."
8. Prior to transfer, it is necessary for the Joint Committee to approve the transfer and authorise the Secretary of the Joint Committee from Durham County Council to sign the legal deed attached as appendix A on behalf of all the constituent authorities of the Joint Committee, subject to the amendment being agreed as noted in paragraph 7 above.

#### Approval sought

- Approval for the transfer of a Lighthouse Slip from Hollycombe Working Steam Museum Limited to Beamish, the North of England Open Air Museum
- Authorisation for the Secretary of the Joint Committee from Durham County Council to sign the legal deed attached as appendix A on behalf of the constituent authorities of Beamish, the North of England Open Air Museum, subject to the proviso noted above in paragraph 7.

Richard Evans  
Director  
18<sup>th</sup> April 2011

DATED Pls. do not date 2011

- THE HOLLYCOMBE WORKING STEAM MUSEUM LIMITED (1)
- THE JOINT COMMITTEE FOR THE NORTH OF ENGLAND OPEN AIR MUSEUM (2)
- THE TRUSTEES OF THE NATIONAL HERITAGE MEMORIAL FUND (3)

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**AGREEMENT**

in respect of

a Variation of a Contract dated 19 November 1998  
relating to Part of The Hollycombe Steam Collection

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THIS AGREEMENT is made the Do day of not date 2011

**BETWEEN:**

- (1) **THE HOLLYCOMBE WORKING STEAM MUSEUM LIMITED** whose registered office is now at Newtown House Newtown Road Liphook Hampshire GU30 7DX (registered company number 3099322 and registered charity number 1061693) ("Company");
  
- (2) **THE COUNTY COUNCIL OF DURHAM; THE COUNCIL OF THE BOROUGH OF GATESHEAD; THE COUNCIL OF THE BOROUGH OF NORTH TYNESIDE; THE COUNCIL OF THE BOROUGH OF SOUTH TYNESIDE and THE COUNCIL OF THE CITY OF SUNDERLAND** as members of a joint committee established under sections 101 and 102 of the Local Government Act 1972 and known as **The Joint Committee for the North of England Open Air Museum** of County Hall Durham DH1 5UL ("Beamish"); and
  
- (3) **THE TRUSTEES OF THE NATIONAL HERITAGE MEMORIAL FUND** of 7 Holbein Place, London SW1W 8NR ("NHMF")

**WHEREAS**

- (A) NHMF made a grant of Seven Hundred and Sixty Six Thousand Three Hundred Pounds (£766,300) ("the Grant") to the Company on the terms of a grant contract dated 19 November 1998 ("the Contract") made between NHMF and the Company enabling the Company to:
  - acquire part of the Hollycombe Steam Collection including (inter alia) the Lighthouse Slip
  
- (B) The Company wishes to transfer ownership of the Lighthouse Slip to Beamish and be released and discharged from its obligations under the Contract in respect only of its obligations in connection with the Lighthouse Slip as from the date of this Deed



- (C) NHMF has agreed to the transfer of ownership of the Lighthouse Slip to Beamish and to release and discharge the Company from its obligations under the Contract in respect of its obligations in connection with the Lighthouse Slip as from the date of this Agreement upon the terms of Beamish's undertaking to perform and be bound by the terms of the Contract in place of the Company in respect of the Lighthouse Slip.

**NOW THIS DEED WITNESSES** as follows:

**1. Acceptance of liability by NHMF**

In consideration of the release set out in Clause 3 NHMF agrees to be liable to Beamish in respect of all rights and obligations arising from the Grant insofar as they remain to be fulfilled in respect of the Lighthouse Slip as if the Contract had been made ab initio between NHMF the Company and Beamish and duly undertakes to discharge its liabilities in respect of the Grant insofar only as they relate to the Lighthouse Slip to Beamish in place of its liability to the Company.

**2. Acceptance of liability by Beamish**

In consideration of NHMF's acceptance of liability set out in Clause 1 Beamish agrees to accept the obligations of the Company to NHMF in respect of the Lighthouse Slip contained in the Contract in substitution for those of the Company as if the Contract had been made ab initio between NHMF the Company and Beamish

**3. Release by the Company**

In consideration of NHMF's acceptance of liability set out in Clause 1 the Company releases and discharges NHMF from all claims and demands whatsoever in respect of the Grant insofar as they relate to the Lighthouse Slip. The Company confirms that it has no claim against Beamish in respect of the Grant.

4. **Release by NHMF**

In consideration of Beamish's acceptance of liability set out in Clause 2 NHMF consents to the transfer of ownership of the Lighthouse Slip from the Company to Beamish in accordance with clause 5 of the Contract and releases and discharges The Company from all claims and demands whatsoever in respect of the Grant insofar only as they relate to the Lighthouse Slip.

5. **Law and Jurisdiction**

This Agreement shall be governed by English law and the parties irrevocably submit to the jurisdiction of the English Courts.

6. **Exclusion of Third Party Rights**

It is not intended that any term of this Agreement is enforceable by a third party under section 1 of the Contracts (Rights of Third parties) Act 1999.

For and on behalf of )  
The Hollycombe Working Steam Museum Limited )

X .....  
Please sign

X .....  
Please print

For and on behalf of )  
The Joint Committee for the North of England )  
Open Air Museum )

X .....  
Please sign

X .....  
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For and on behalf of )  
The Trustees of the National Heritage )  
Memorial Fund )

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Please sign

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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