

Cabinet

9 October 2013



Beamish Museum – Change of Governance Arrangements

Report of Corporate Management Team Terry Collins, Corporate Director, Neighbourhood Services, Councillor Neil Foster, Cabinet Portfolio Holder for Economic Regeneration

Purpose of the Report

- 1 To seek approval to disband the Joint Committee for the North of England Open Air Museum and to agree that the Council's involvement in the management of the museum should in future be through the Regional Stakeholders Group and the right to nominate directors to the Board of Beamish Museum.

Background

- 2 Beamish Museum is currently run by a Joint Committee comprising members from Durham, Gateshead, North Tyneside, South Tyneside and Sunderland Councils. The operations of the museum are managed through a limited company Beamish Museum and its trading company. A Governance Review has recently been undertaken to consider how best to develop Beamish's partnership with all North East local authorities taking into account the needs of the museum's future plan for 2013-2025 and clear demand for new ways of working with local authority and other key stakeholders to provide support and produce tangible mutual benefits. A Regional Advisory Panel was formed during 2012/13 with two meetings held to shape the recommendations of the review, engaging ANEC and lead officers/members from all twelve North East authorities as well as representatives from key partners at the Arts Council England and Heritage Lottery Fund.
- 3 The Regional Advisory Panel considered the current governance arrangements at Beamish (see appendix two) and recommended a number of changes to the roles and responsibilities of the Joint Committee, Beamish Museum (the operating charitable company) and Beamish Development Trust (fundraising organisation engaging business leaders) and the Friends of Beamish. Officers from Sunderland City Council and Durham County Council also considered a number of technical matters including VAT, financial management, legal agreement/leases and pension issues.
- 4 The new governance model recommended by the Regional Advisory Panel and subsequently approved by the Joint Committee of Beamish in July 2013 is set out at appendix three. The recommended changes can be summarised as follows:

- (a) Developing further the invaluable fund raising work carried out by the Beamish Development Trust by integrating this group of business leaders within the Friends of Beamish, forming a new working group called the Business Friends of Beamish;
- (b) Reviewing the role of Beamish Museum with the charity taking on a fifty year lease for the museum and its collections from Durham County Council and entering into legal agreements to take on responsibility for procuring and managing capital developments;
- (c) Reviewing the membership of Beamish Museum with a new board comprising fifteen trustees with eight being local authority nominated trustees from core local authority partners (including the chair); one being a nominated trustee from the Friends of Beamish; and a further six being co-opted trustees. It is recommended that local authority representation be secured by minimum revenue contribution of £5,000 with constituent authorities dividing up the eight nominations (including chair) according to the proportion of their respective contributions.
- (d) Maintain the existing Teesside Pension Agreement with existing local authority partners continuing to confirm the community benefit to Beamish Museum and its membership of the Local Government Pension Scheme, and collectively providing a guarantee for the historic LGPS Pension deficit that Beamish Museum currently has;
- (e) Dissolving the Joint Committee of Beamish responding to demand for greater partnership working with local authorities through forming a new regional stakeholder group, working to ANEC and engaging members and officers from all twelve North East local authorities in a light touch and appropriate way.

Regional Stakeholder Group

- 5 The Regional Stakeholder Group has been shaped by consultation with local authority and other key partners including the Heritage Lottery Fund and Arts Council England. It has three objectives:
- (a) Provide a light touch but effective way for partners to influence Beamish Museum's policy and strategy, scrutinising decisions and reviewing future budgets/plans through an annual review meeting held every autumn, ensuring that the educational cultural community and economic benefits of the museum are genuinely felt across the region;
 - (b) Develop a regional forum for developing and resourcing effective partnership working, focussing on delivering projects that generate mutual benefits in a way that links to regional work led by ANEC and does not cut across other organisations working in the region;
 - (c) Focussing on delivery and meeting the needs of partners, providing support to partners where appropriate and only when Beamish can genuinely add value, considering the range of agendas including museum education, marketing, skills/apprenticeships, cultural tourism,

community engagement/volunteering and developing resilient business models.

6. It is anticipated that the Regional Stakeholder Group will generate a number of tangible benefits both for Beamish and its partners including:
 - (a) Enabling all North East local authorities to re-engage with and influence Beamish's work in an appropriate and effective way without requiring the revenue contribution;
 - (b) Bringing North East authorities together to restate their commitment to Beamish recognising the regional benefits of the museum;
 - (c) Encouraging more partnership working between Beamish and its stakeholders, feeding into the ANEC cultural partnership and focussed on generating resource to deliver regional programmes with clear and mutual benefit;
 - (d) Creating inspiring learning programmes for schools to encourage more children from across the North East to enjoy learning in museums, building capacity locally and working towards an ambition to provide sponsored school visits to Beamish for every North East primary school child;
 - (e) Deepening the economic impact of Beamish across the region and demonstrating the value of investing in cultural tourism, developing more joint working;
 - (f) Working together to develop the activities offered in museums and cultural venues for people living with dementia, creating a greater understanding of impact and ensuring access for people from across the region;
 - (g) Enabling Beamish to support partners with a range of issues including developing resilient/sustainable business models and community engagement/volunteering.

7. It is proposed that the Regional Stakeholder Group will be comprised of member and officer representation from all twelve local authorities with up to three representatives invited from each local authority. It is hoped that the lead members and officers for culture will be able to attend although they may wish to nominate a relevant substitute. Depending on the items on the agenda for discussion it is anticipated that relevant stakeholders will be invited to attend from time to time including for example destination management organisations, Heritage Lottery Fund and Arts Council England. It is anticipated that Beamish will seek funding from the Arts Council major partner museum programme to help provide resource for joint projects to be delivered through the group. Further funding for delivery will be sought from the public and private sectors.

Recommendations

8. Cabinet are asked to agree the following recommendations:
- (a) That the Joint Committee for the North of England Open Air Museum be disbanded and be replaced by a Regional Stakeholder group;
 - (b) That the proposed amendments to the Constitution of the Board of Directors of Beamish Museum be approved;
 - (c) That a new fifty year lease of the site of the museum be granted to the charitable company Beamish Museum on terms to be negotiated by the Corporate Director for Regeneration and Economic Development;
 - (d) That the collections held at the museum be leased to the charitable company Beamish Museum on terms to be approved by the Council's Head of Legal and Democratic Services.

Appendix 1: Implications

Finance

The Council makes an annual contribution to Beamish of £32,669. The proposals set out in the report do not expose the Council to any additional financial contributions to the operation of the museum or place any additional financial risks or implications on the Council.

Staffing None

Risk

These proposals place responsibility for decision making solely within the charitable company removing the duplication of responsibilities with the Joint Committee which currently exists. The Constitution of the Board of Directors is designed to ensure that the museum remains within local authority control whilst gaining maximum benefit from the expertise available in the private sector.

Equality and Diversity / Public Sector Equality Duty

There are no equalities implications at this time. If during the process of changing the governance any impacts emerge then an Equality Impact assessment will be carried out.

Accommodation - None

Crime and Disorder - None

Human Rights - None

Consultation -

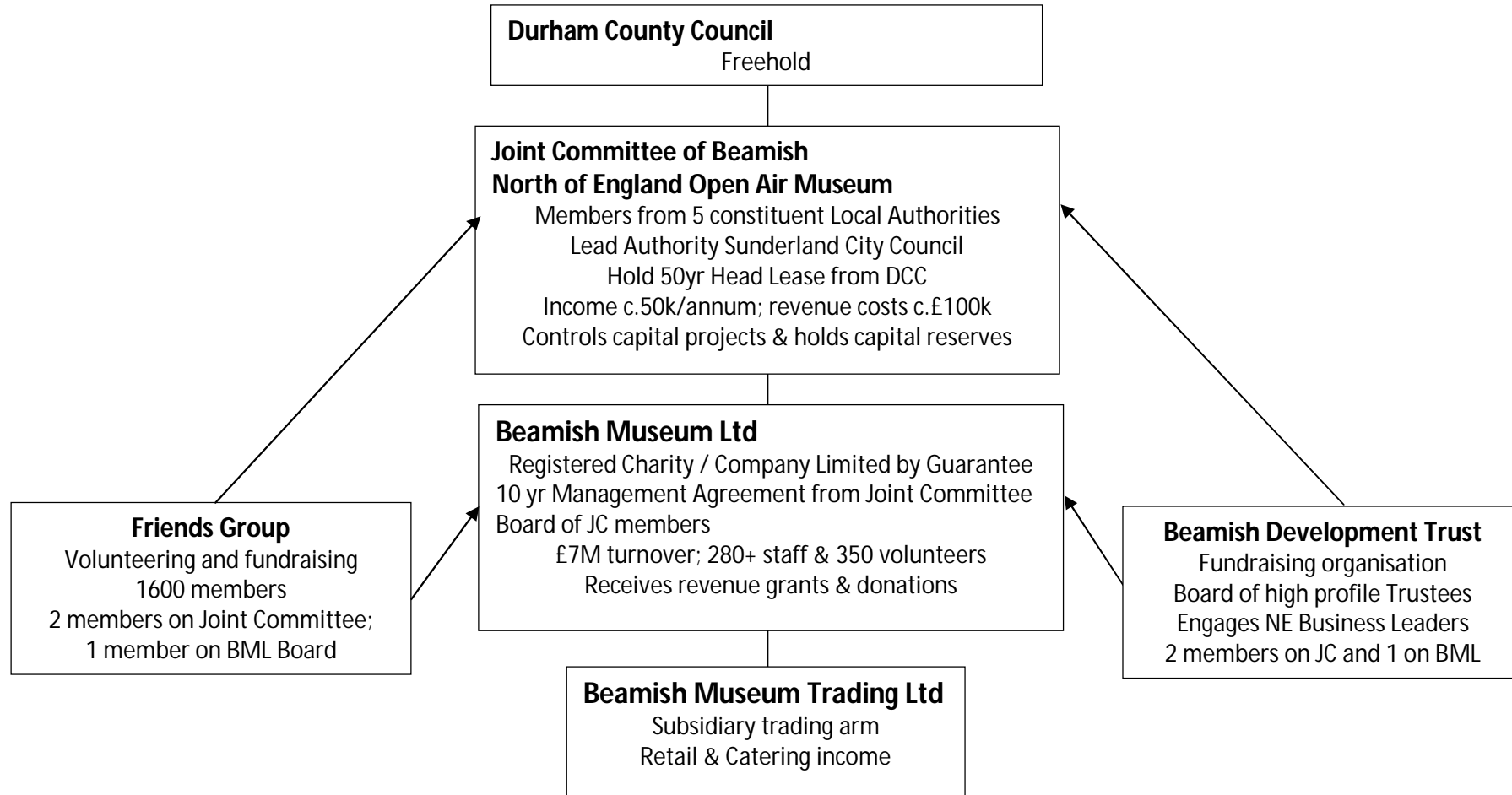
This proposal has been the subject of extensive consultation with local authority and other stakeholders.

Procurement - None

Disability Issues - None

Legal Implications - Outlined in the Report

APPENDIX 2: CURRENT ORGANISATIONAL CHART 2013



APPENDIX 3: FUTURE ORGANISATIONAL CHART FROM 2014

