

AT A MEETING of the CULTURE, COMMUNITIES AND RURAL AFFAIRS
SELECT COMMITTEE of the COUNTY COUNCIL held at The Castle,
Winchester on Tuesday, 10 September 2013.

PRESENT

Chairman:
p Councillor Elaine Still

Vice-Chairman:
p Councillor Frank Pearce

Councillors:

p Phil Bailey	p Fiona Mather
p Peter Chegwyn	a Patricia Stallard
p Shaun Cully	p Alan Rice
p Brian Gurden	p Tim Rolt
p Rob Humby	a John Wall
p Mark Kemp-Gee	p Chris Wood

Substitute Members:

Councillor Peter Latham (Conservative Substitute Member)

Also in attendance:

Councillor Keith Chapman – Executive Member for Culture, Recreation
and Countryside

11. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Stallard and Wall.

12. **DECLARATION OF INTEREST**

Members were mindful that, where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting, they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore, Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be

Items to be
actioned on
the
Committee's
work
programme:

declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

Councillor Humby declared a personal interest in respect of Minute Number 17 and 18 below as the Deputy Leader and Portfolio Holder for Economic Development at Winchester City Council. Councillor Humby spoke and voted thereon.

Councillor Humby also declared a personal interest in respect of Minute Number 16 below, as Winchester City Council's representative on the Museums Merger Steering Group. He explained that, whilst he would speak during the debate, he would abstain from the vote.

Councillor Mather declared a personal interest as a member of Winchester City Council in respect of Minute Number 16 below, as the City Council was the proposed partner in the Museums and Arts Service Merger. Councillor Mather spoke and voted thereon.

Councillor Kemp-Gee declared a personal interest as a Trustee of the Gilbert White Museum in respect of Item 16 and spoke and voted thereon.

13. **MINUTES**

In response to a Member's comment, the Committee agreed to amend the resolution regarding the discussion on the Sport and Physical Activity Strategy (minute 8 refers). The Member highlighted the potential to improve how social media websites were used to promote the Strategy, and it was agreed that this should be included within the resolution.

That, subject to the above amendment, the Minutes of the Committee, held on 11 July 2013, were confirmed as a correct record and signed by the Chairman.

14. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman explained that, for the first time, all of the County Council's country parks which were eligible to apply, had received the Green Flag Award (Queen Elizabeth, Staunton, Royal Victoria, Manor Farm and Lepe). These parks had also received the Country Park Accreditation Award from Natural England. In addition, the ten major Countryside Services sites, which provide an educational service to schools, had qualified for the Quality Badge For Learning Outside of the Classroom.

The Chairman also highlighted the forthcoming Member Tour to the Basingstoke Canal, to be held 13 September 2013.

15. **DEPUTATIONS**

No deputations were received.

16. **PRE-SCRUTINY:
MUSEUMS AND ARTS SERVICE – MERGER PROPOSAL**

The Committee received a presentation and report from the Director of Culture, Communities and Business Services (Item 6 in the Minute Book).

From the officer presentation, Members noted that:

In the light of significant funding reductions for the Museum and Arts Services, officers and a steering group of Members had undertaken a strategic review of the service from 2011. From this, the County had investigated an integrated solution with Southampton and Winchester City Councils. Over the course of the review, Portsmouth and then Southampton City Councils had withdrawn from a potential merger of services.

The report therefore recommended merging the HCC Museum and Arts Services with Winchester City Council (WCC), to be operated by a new charitable trust company (limited by guarantee) to be called the Hampshire Solent Cultural Trust.

The presentation explained that the creation of a new Trust would provide the service with greatest possible long-term resilience against the anticipated financial climate. It was explained that separating the service from the direct control of Local Authorities would open new potential revenue streams, including charity status gift aid, NNDR relief (National Non-Domestic Rates), new external grants and philanthropic donations. The report proposed a 25 year lease on property and collections to provide assurance to potential backers. In addition, merging services would bring its own benefits through shared skills, resources and collections.

The Councils had commissioned a consultation process which had underlined how the public (even non-users of the service) valued the Museums and the Arts Service. The qualitative survey had found broad agreement with the sentiment that, given the financial climate, it was better to do something rather than nothing and agreement in principle with the proposal to merge services.

Whilst the report concluded that the proposed Trust was the best option for the service, it had considered the potential risks. These were summarised as the possible financial failure of the Trust, poor leadership, and the Authorities' loss of influence.

The report set out the timeline of establishing the Trust. The Executive Member for Culture, Recreation and Countryside was due to make a decision on whether to proceed in principle at his Decision Day meeting on 25 September 2013, having considered the business case and the comments of this meeting of the Select Committee. This would be followed by the detailed implementation stage, which would consider staffing, budget and legal matters. It was anticipated that the Executive Member would then consider a recommendation to transfer the service in spring 2014, after which the new Trust's Board and Chief Executive would be appointed with a view to taking over the service in late 2014 or early 2015.

In response to Members' questions and concerns, the following issues were clarified:

- It was anticipated that the partnerships with other District Councils, which provided strategic and funding support to the service, would continue. That it was anticipated that the Trust would also continue to work in a partnership with independent museums in the county.
- That approximately 90 fte staff were affected by the proposal from HCC, with a further 10 fte from WCC, and they had contributed to the consultation process. The Committee noted that, whilst there was an understandable level of concern about how the change would affect their own jobs; staff recognised that something needed to be done to protect the excellent service they had help build up over many years. The Union had deferred any comment on the proposals until the TUPE (Transfer of Undertakings, Protection of Employment) proposals were finalised, as part of the detailed implementation stage.
- Southampton City Council had withdrawn from the Trust project as, due to the financial pressures they faced, elected Members did not feel in a position to commit considerable financial support for a 5 year period. However, SCC remained committed to strategic partnership working on issues such as the 2014 Commemorations.
- That, whilst the business model of the Trust included a salaried Chief Executive post, the Chairman's post would be unsalaried.
- Nottingham, Luton and Somerset Councils were cited as examples of other Authorities which had established Trusts to operate their Museums and Arts Services. The Director agreed to forward to Members further details after the meeting.
- It was anticipated that, through merging services, the Trust would be better able to increase visitor numbers (and therefore secondary spending) through joined up marketing, focusing on "Big Themes".
- The business plan proposed 12 Trustees to include a representative from HCC and WCC and that the Executive Member would be appointed as an observer. It was explained that the number of Trustees could change, for example if other

Director to forward to the Cttee further details

Authorities were to become partners at a later stage, subject to the decision of the Trust in relation to delivering business outcomes. The proposed number was based on learning from elsewhere about having a Board in the best position to run a successful business - one which is large enough to have necessary range of skills, but not so large it becomes unwieldy.

- Whilst the business plan had been designed to avoid it becoming necessary, it did include provision for an exit strategy for any of the partners, subject to a three year notice period. Further detail of this provision would be drafted during the implementation stage.
- That the cost of developing the proposal to date had been approximately £230,000 and that this had been funded entirely from the Arts Council.

During debate, whilst few concerns were raised regarding the principle of merging the service with WCC, concerns were raised regarding the establishment of the Charitable Trust and, in particular, its democratic accountability.

Other issues raised included:

- Concerns about the set-up costs of the Trust
- Its effect on staff, their job security and future terms and conditions.
- Concerns that the proposal appeared to be designed to save money, rather than preserve or improve the service.
- Concerns that the report had provided little evidence that a Trust would in reality be successful in attracting additional funding. Members cited the experiences of Tower Arts, the Hampshire Sculpture Trust and Explosion at Gosport as concerns.
- That the loss of Southampton and Portsmouth as partners weakened the viability of the Trust.
- Concerns that the proposal could risk the excellent reputation the service had established and that there was sufficient existing expertise within the current staff to continue the success of the service.
- Doubts were raised regarding the ability to predict the long term future policy and priorities of organisations such as the Arts Council and Heritage Lottery Fund.

However, other Members stressed the issues raised in the report and presentation in that the service would be subject to on-going and significant budget cuts into the foreseeable future. As such, the creation of a charitable trust provided the only viable option to preserve the valued service. Previous cuts had already seen all front of house staff change to volunteers and future cuts, without the Trust, were otherwise likely to result in a very significant reduction in service.

At the invitation of the Chairman, the Executive Member for Culture, Recreation and Countryside, Councillor Chapman, noted the comments which had been made during the debate,

and explained that many of these issues had been considered during the development of the proposal. He added that most members of the public were concerned only about the service they could use, rather than who was responsible for running that service.

At the conclusion of debate, a vote has held in which an equal number of Members voted for and against the recommendation. Therefore, it was with the Chairman's casting vote that the recommendation was agreed as set out in the Report.

RESOLVED:

That the proposal be supported and the recommendations for the Executive Member for Culture, Recreation and Countryside and the Executive Member for Policy and Resources, be endorsed as set out on pages 7 and 8 of the report.

17. **OVERVIEW ITEM:**
INVESTMENT IN DANCE

The Committee received a report from the Director of Culture, Communities and Business Services (Item 7 in Minute Book) regarding the "New Dimensions in Dance" framework, which outlined a strategy targeting the County's investment in dance activity for 2014-16.

In response to a Member's question, the Director explained that (in light of the above discussion) Arts Grant Funding in the future would remain with the Executive Member for Culture, Recreation and Countryside.

RESOLVED:

That the Executive Member for Culture, Recreation and Countryside be recommended to approve the "New Dimensions in Dance" framework, which outlines a strategy for targeting Hampshire County Council's investment in dance activity, 2014-16 (Appendix 1 of the report), according to the timetable outlined in the report.

18. **PRE-SCRUTINY:**
2014 COMMEMORATIONS PROGRESS

The Director of Culture, Communities and Business Services summarised the key points from the written report (see Item 8 in the Minute Book) and Members noted the consultation process and the list of proposed projects set out in Appendix 1.

During discussion, Members noted that, if approved at the Executive Member for Culture, Recreation and Countryside's

Decision Day to be held 25 September 2013, all Members would be informed about the grant scheme. Members also noted the inclusion of the 2014 D-Day commemorations and a Member recommended that the County should strive to take a high profile role.

RESOLVED:

That the Executive Member for Culture, Recreation and Countryside be recommended to:

- Note the progress to date
- Approve the launch of a public website and grant scheme (to go live 26 September 2013)
- Approve the proposed framework for a grant scheme to support community led projects
- Endorse the role of the Members' Group in overseeing and recommending applications to be supported
- Approves a wider communication and briefing to all Members on the Hampshire Commemorates programme.

19. **CAPITAL GRANTS SCHEME FOR COMMUNITY BUILDINGS
– NEW SUB-COMMITTEE**

The Committee received a report from the Director of Culture, Communities and Business Services which recommended the establishment of a new Sub-Committee to pre-scrutinise the Community Building Fund applications, in advance of the decision to be made by the Executive Member for Culture, Recreation and Countryside (see Item 9 in the Minute Book).

RESOLVED:

That a Sub-Committee be established with the Terms of Reference as set out in Appendix 1 of the report to consider, comment and make recommendations to the Executive Member for Culture, Recreation and Countryside on the large grant applications (£200,000) made under the Community Buildings Capital Grant Scheme with the following membership:

Councillors Still (Chairman), Pearce (Vice-Chairman), Humby Mather, Bailey, Gurden and Rolt.

20. **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED:

That the public be excluded from the meeting during the following item of business, as it is likely, in view of the nature of the business to be transacted or the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during that item there would be

disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintain the exemption outweighs the public interest in disclosing the information, for the reasons set out in the report.

21. **PRE-SCRUTINY: GOSPORT POST OFFICE AND DISCOVERY CENTRE**

The Select Committee considered the exempt presentation from the Director of Culture, Communities and Business Services on the proposed re-location of the Gosport Post Office to the Gosport Discovery Centre.

22. **SCRUTINY WORK PROGRAMME**

The Committee noted the work programme (Item 12 in the Minute Book).

RESOLVED:

That the Committee's Work Programme be approved as set out.

Chairman, 21 November 2013