

HAMPSHIRE COUNTY COUNCIL**Executive Decision Record**

Decision Maker:	Executive Member for Culture, Recreation and Countryside
Date:	3 July 2014
Title:	Transfer of the Arts and Museums Service to the Hampshire Cultural Trust
Reference:	5859
Report From:	Director of Culture, Communities and Business Services

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1. The decision:

1.1 That the Executive Member for Culture, Recreation & Countryside approves the following recommendations:

- Agrees to transfer the services and funding for the Hampshire County Council Arts and Museums Service to the Hampshire Cultural Trust, in accordance with the terms and arrangements within the Management & Funding Agreement, Collection Loan Agreement, generic Property lease and Commercial Transfer Agreement (Appendix 4 – Heads of Terms)
- Authorises the Director of Culture, Communities and Business to undertake any other steps that are reasonably required to finalise and implement the above recommendation, including finalising on-going partnership and commissioning arrangements with Borough and District Councils.

1.2 That the Executive Member (CRC) recommends the following for approval by the Executive Member Policy and Resources:

- The transfer of staff to the Hampshire Cultural Trust through TUPE regulations and a closed LGPS pass-through agreement
- Agrees to loan Hampshire County Council's museum collections to the Trust, and for the ownership of new Hampshire-focused acquisitions to be held in trust by the new Trust on behalf of Hampshire County Council
- The lease/sub-lease or license, as appropriate, of the individual properties, under long-term arrangements, with the minimum unexpired term at any time being 25 years so as to support external grant applications by both the Trust and Hampshire County Council.

- The continued management of the Property repair and maintenance by Hampshire County Council in consultation with the Trust. The County Council to continue to bear the insurance risk for the properties and collections where this falls under the corporate self-insurance regime.
- Hampshire County Council corporately provides central support services to the Trust as part of the grant funding agreement.
- Agree the transfer of other assets to the Trust for the operational management of the service and properties (furniture and fittings etc).
- Authorises the Director of Culture, Communities and Business Services and Director of Corporate Resources to undertake any other steps that are reasonably required to finalise and implement the above recommendations.

2. Reason(s) for the decision:

- 2.1 For the Executive member for Culture, Recreation and Countryside to make a decision about proceeding with the development of a charitable company limited by guarantee (Hampshire Cultural Trust) to run the arts and museum services currently delivered by Hampshire County Council.
- 2.2 The creation of a new Trust with the merger of Winchester City Council Museum service provides the greatest possible long term resilience against the anticipated financial climate as the Trust would have new revenue funding streams, including Tax relief, external grants and philanthropic donations.

3. Other options considered and rejected:

- 3.1 An initial review of governance options identified the charitable company limited by guarantee as the preferred model, and in January 2012, three partner authorities (including Southampton City Council) approved preparation of this detailed business case to test the preferred option. Arts Council England (and its predecessor, Museums, Libraries Archives) has provided strategic and funding support throughout this process.
- 3.2 The business analysis considered 3 options for a trust both with and without Southampton City Council:
 - A. A Fully Integrated Merger of the 3 partner authorities into a Hampshire Solent Cultural Trust, working in strategic partnership with the wider cultural heritage sector
 - B. A Partially Integrated Merger of the 3 partner authorities into a Hampshire Solent Cultural Trust, working in strategic partnership with the wider cultural heritage sector

- C. A Fully Integrated Merger of Hampshire County Council Arts and Museums and Winchester City Council Museums into a Hampshire Solent Cultural Trust, working in strategic partnership with the wider cultural heritage sector

The above options have been compared with each Arts, Museums and Heritage Service remaining as a separate local authority service.

- 3.3 During the development of the outline and detailed Business case, Southampton City Council withdrew from a potential merger of cultural services. Following this, in September 2013, the Executive Member agreed to proceed, in principle, with Option C above, a fully integrated merger of Hampshire County Council Arts and Museums and Winchester City Council Museums Service, working in strategic partnership with the wider cultural heritage sector.
- 3.4 All options were compared with a status quo or do nothing position which was rejected due to the very serious service reductions anticipated with that approach.

4. Conflicts of interest:

- 4.1. Conflicts of interest declared by the decision-maker:

None.

- 4.2. Conflicts of interest declared by other Executive Members consulted:

None.

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by:	Date:
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Executive Member for Culture, Recreation and Countryside Councillor Keith Chapman	