

THE ESTABLISHMENT OF DERBY MUSEUMS & ARTS TRUST

SUMMARY

- 1.1 This paper sets out recent progress towards the establishment of the Derby Museums and Arts Trust.

RECOMMENDATION

- 2.1 To note progress on the development of the Derby Museums & Arts Trust.
- 2.2 To endorse the establishment of the Derby Museums & Arts Trust.

REASONS FOR RECOMMENDATION

- 3.1 The Derby Museums & Arts Trust is being set up as the most effective means to deliver the Museums responsibilities on behalf of the Council. The Trust is being conceived as a strategic partner for the Council in helping the city attract investment and realise the significance of its world class living story of creativity.
- 3.2 This is a major innovation by the Council at a time of significant challenge within the public sector. The PHL Board's support of this development is an integral part of the process and is likely to help yield long term mutual benefits for both organisations.

SUPPORTING INFORMATION

- 4.1 The Transforming Museums Programme has shaped the Council's strategy for Museums since October 2010. The programme is being progressed at all levels in relation to the Silk Mill, Joseph Wright, the Museum and Art Gallery and community development. To achieve the various ambitions, the strategy also requires the establishment of a bespoke organisation that is able to be more entrepreneurial and able to negotiate its own collaborations. The organisation will work to agendas that range from local to international enabling each area of activity to be developed for the benefit of the city.

- 4.2 The planning for the establishment of the Derby Museums & Arts Trust is in its final months. The organisation is due to be launched in the autumn, with an anticipated date of 1 October 2012.
- 4.3 The new organisation is being established as a charitable trust and company limited by guarantee. The Trust will assume all management responsibilities for Museums, taking on a long term lease of buildings and collections from the Council.
- 4.4 The revenue budget amount agreed by the Council is providing the financial underpinning for the new Trust. This has been set at £1.218 million for three years – 2012/13 – 2014/15. Detailed discussions are continuing with regard to support services currently provided by the Council such as payroll and human resources. There is a clear expectation with both parties that the Council will be the contracted supplier for a number of the support services for a period of time.
- 4.5 An application is being submitted to the Arts Council to bid for a grant that will support the revenue budget. The intention is to have this funding in place by 1 October 2012. This funding and partnership relationship is imperative to the success of the Trust. The Council's commitment to the Transforming Museums Programme has been a major factor in creating a very positive dialogue and application process with the Arts Council. The Arts Council have already contributed a one-off grant to help in the preparation for the Trust and to support the Silk Mill development in 2012/13. This support amounts to £394,500.
- 4.6 The current application to the Arts Council is being led and submitted by Derby, and will also include a Nottingham Museums contribution. In this way Derby and Nottingham are working jointly, helping the Arts Council nurture the development of two Museums Transformation Programmes in the two cities.
- 4.7 The business planning has been progressed significantly. This document will capture and shape the key aspects of the Trust's operation and development. The final version of the Business Plan is being prepared in close correlation with the Arts Council funding application.
- 4.8 The shadow board of trustees has now been appointed. This includes three nominations from the Council, one representative of the Friends and 11 of the 12 remaining trustee places. The Chair and trust will make the decision about any future appointments to the Board. The Board is chaired by Peter Smith, a founding partner of Smith Partnership solicitors. Peter has expertise in commercial law, business development, and business management and was appointed alongside Patricia Coleman as Vice Chair. The trustees are local people, keen to work with the Council for the future of Derby Museums and to use their wide range of skills and experience to help create new opportunities for these precious public assets. There is a genuine sense of excitement amongst the trustees at the prospect.
- 4.9 The Trust is developing its branding and marketing plan. These will be approved and implemented in time for the launch date. All other aspects of Museums development is continuing at some pace. This includes plans to realise the Silk Mill development, the ground floor of which is due to open in Autumn 2013.

- 4.8 All existing staff will be transferring to the Trust under TUPE arrangements. This process is being carried out with contributions from staff and the involvement of UNISON. Members of staff at all levels of the organisation are actively involved in shaping the new organisation. The monthly staff conference programme for Museums staff is a major part of achieving this buy in.
- 4.9 Detailed work is being carried out with Council Services in relation to Finance, Legal, Estates, Human Resources, Information and Communications Technology and others in order to produce the most appropriate contractual arrangement between the Trust and the Council. The guiding principle at all times is the maximum emphasis on ensuring the Trust is set up to be the high value solution through which the Council can realise its ambitions.

OTHER OPTIONS CONSIDERED

- 5.1 All aspects of the programme to launch the Derby Museums and Arts Trust remain on track. The careful management of this process is now overseen by both the Council's Project Board and the Shadow Board for the Trust.

This report has been approved by the following officers:

Legal officer	N/A
Financial officer	N/A
Human Resources officer	N/A
Service Director(s)	Director of Leisure and Culture
Other(s)	N/A

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Background papers:	None
List of appendices:	Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 The City Council has committed to a three year revenue settlement for Derby Museums & Arts Trust of £1.218 million in order that the new organisation can be established with some financial stability.
- 1.2 The Council is submitting a bid to the Arts Council as the lead authority for Derby and Nottingham to support the revenue costs required for the Transformation Programme.

Legal

- 2.1 The contractual arrangements between the Council and the Trust are being progressed to the appropriate standard and within the timescales required.

Personnel

- 3.1 Preparations are being made to TUPE transfer all Museums staff from the Council into the Trust.

Equalities Impact

- 4.1 There are no equalities issues arising from this report.

Health and Safety

- 5.1 A new Health and Safety Policy for the Trust is in preparation and will be implemented at launch. This will seek to enlist Trade Union involvement in the development and implementation of procedures.

Environmental Sustainability

- 6.1 There are no environmental sustainability issues arising from this report.

Asset Management

- 7.1 The Transforming Museums Programme is a major vehicle to attract inward investment into important Council assets such as the Museum buildings and collections. Safeguards are being set out in contract documentation to ensure that if necessary break clauses for development (from either party) can be activated.

Risk Management

- 8.1 The development to the Trust is being assessed through appropriate Risk Management processes.

Corporate objectives and priorities for change

- 9.1 The Transforming Museums Programme will contribute to:

- A thriving sustainable economy
- Achieving learning potential
- An active cultural life
- A strong community
- Good health and well being
- Being safe and feeling safe