

**BOURNEMOUTH, CHRISTCHURCH AND POOLE COUNCIL
RUSSELL COTES ART GALLERY AND MUSEUM MANAGEMENT
COMMITTEE**

Minutes of the Meeting held on 03 June 2024 at 2.00 pm

Present:-

Stuart Bartholomew – Chairman

Cllr L Williams – Vice-Chairman

Present: Cllr A Martin, Cllr L Northover and Sir George Meyrick Baronet

Also in
attendance:

1. Election of Chairman of the Russell-Cotes Art Gallery and Museum Management Committee

RESOLVED: That Stuart Bartholomew be elected as Chairman for the 2024-25 municipal year.

2. Election of Vice-Chairman of the Russell-Cotes Art Gallery and Museum Management Committee

RESOLVED: That Cllr Lawrence Williams be elected as Vice-Chairman for the municipal year 2024-25.

3. Apologies for Absence

Apologies received from Fiona Winrow and Alan Frost

4. Declarations of Interest

None

5. Minutes of the previous meeting

RESOLVED: That the minutes of the meeting held on 25 Jan 2024 be approved as a correct record.

6. Public Issues

There were 3 public Questions from Alderman Chappell

1. Will the Council continue to make an annual grant/subsidy to the CLG as part of the financial settlement? How will this be secured?

No is the direct and straightforward answer, and consequently nothing beyond what has been agreed is secured.

To be clear, there shall no longer be an annual grant. The Council has committed to provide £2m upfront in addition to the asset transfer of the Study Centre (c£500k), a one off maintenance grant (£250k), and the transfer of any residual reserve amounts on vesting day. No further financial support is included in the Council's Medium Term Financial Plan (MTFP).

However, the £2m is broadly equivalent to 5 years of support based on recent activity, so could be inferred as covering 5 years but the company shall need to manage its financial affairs and, subject to how successful or otherwise the company is, the £2m may last for a longer or shorter timeframe.

Whilst there is not an expectation from the Council's perspective of requests for further financial support, the February decision does not forbid any request being made now, or in the future by the Russell Cotes Art Gallery and Museum, but any decision to provide more financial support shall need to be made in line with the normal financial regulations and governance processes.

2. In the event of the CLG going into administration what will happen the Museum and the Collection? Will it be disposed of as the Administrator deems fit?

We understand that the Museum, house and collections are held in permanent endowment and therefore there is no legal mechanism for them to be sold or disposed of in any circumstances. The purpose of the new governance arrangements is to ensure the long term financial and organisational sustainability of the Russell-Cotes. The precise arrangements, therefore, in the unlikely event of the CLG going into administration are subject to legal advice from Sharp Pritchard which is below.

The charity is an unincorporated charity and therefore has no separate legal personality. This means it cannot technically become insolvent as it falls outside the corporate insolvency regime and none of the statutory insolvency procedures apply to the charitable trust itself. The CLG will hold the legal title of the charity's property on trust for the charity's specific charitable purpose, enter into contracts and obligations on behalf of the charity, and be responsible for managing and administering the affairs of the charity. Any property or liabilities will legally be the property or liability of the CLG. The term insolvency will be used in the context of describing a situation where the charity's available assets are insufficient to cover the liabilities of its charity trustee i.e., the CLG. This means that the charity cannot pay its debts either with its income or its assets. Whilst the charity itself cannot become 'insolvent', inability to pay debts could result in the CLG becoming insolvent. In this instance, the corporate insolvency regime will be applicable to the CLG as it is a company.

Assets which a company holds on trust for a third party do not fall within an insolvent estate. In relation to Russell-Cotes, any assets held by the CLG on trust for the charity will not be included in the insolvent estate. This includes the building and Collections as identified in the Indentures. Any of the assets not held on trust would be available to meet the claims of creditors in the event of 'insolvency'.

3. Kindly provide details of the new IT, legal and financial arrangements. Will the Board be able to externalize these services - or will the Town Hall continue to provide them

Currently, the museum receives its ICT, finance and HR support services from the council. As part of the changes toward full independence, the new body (RCAGM Sole Trustee Ltd) will procure a new provider for each of these services. Through the NLHF-supported Governance Change project, a scope of works is being developed for each of these areas, to use as the basis for good value provision to be identified, suitable to the scale of the newly independent museums.

7. Russell-Cotes Art Gallery & Museum Update Report

The Museum Manager presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'A' to these Minutes in the Minute Book.

Public Report

The Russell-Cotes has had a very strong 6 months in terms of visitor numbers (up 9%) and income from admissions and secondary spend (up 10%), despite 4 weeks of closure for MEND building works in January. This is due to popular exhibitions, a good Christmas offer, successful marketing and additional press coverage as well as poor spring weather. This represents the highest annual visitor figures (53,231) since charging was introduced and contrasts with national statistics which continue to show that most museums have still not recovered fully from Covid.

The resilience of the building to weather damage, vandalism and theft is compromised by the poor state of repair. Failure to complete works fully or in a timely manner has reduced the capacity to manage this fragile building and puts it at ongoing risk. A new condition Survey outlines £3million of work required in the next 5 years, including £1.3million in the next 18 months. An application for this work has been made to ACE MEND Round 4.

The Museum has had some success with funding from Community Infrastructure Levy (CIL) and Bournemouth Civic Society for garden investment, Arts Council England/V&A Purchase Grant and Art Fund for the purchase of collections items, and Art Fund 'Going Places' for a major museum exhibition partnership for 2025 -2030.

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It was noted that the increase in the adult admission charge to £9.50 had not seemed to deter visitors.

The front gate was replaced and looks smart.

An audit of 127 items in the collection was conducted successfully, with all items being located. A further collections audit was also successfully conducted as part of the financial audit process.

Fundraising was underway for the next exhibition 'Artists in Purbeck', which is costlier than usual.

The operation of the 'lates' programme was being reworked slightly and a charge applied as they were very successful but proving to be unsustainable in their current format.

Art Fund had introduced a network scheme 'Going Places' to create joint exhibitions for which the Russell-Cotes had successfully applied. Partnered with Bowes Museum in Barnard Castle and the Watts Gallery in Guildford, the plan was to cocurate a touring exhibition with young people which would travel between the venues. The museum would be able to tap into significant funding in this programme.

The Museum had some success with its marketing with good coverage in The Sun and Country Life in the same week. The museum had won the Tourism Business of the Year in the Bournemouth Business Awards and Silver for Small Visitor Attraction in the Dorset Tourism awards.

The museum had received £6,000 from neighbourhood CIL funding for the maintenance of the garden. The fountain conservation has been completed and work is due to commence on the sculptures on the railings. Bournemouth Civic Society have given funding for a children's pavilion which was being designed but was subject to Listed Building and Planning consent. It was proposed that the recent legacy from Julia Stallard would be allocated as match funding for a MEND Round 4 application.

Councillor Farquhar passed on his thanks to staff at the museum following a recent visit.

RESOLVED that The Management Committee accepts the Russell-Cotes Art Gallery and Museum Update report for the period 1 October – 31 March 2024

8. Acquisitions, Loans and Disposals Report

The Museum Manager presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'B' to these Minutes in the Minute Book.

Public Report

To note the new acquisitions to the Collection (material owned and held in trust by the Russell-Cotes Art Gallery & Museum charity in accordance with its charitable objectives) and the loan of material to other institutions (ie public art galleries and museums) and to approve the disposal of items in the Collection which do not meet the Museum's Core Offer in accordance with the Museums Association Code of Ethics.

It was noted that Lucy Kemp-Welch sketches, purchased thanks to a ACE/ V & A Purchase Grant and Art Fund purchase grant would go on public display in July.

RESOLVED that

The Management Committee notes and approves

- a) acquisitions**
- b) loans**
- c) disposals**

As outlined in the Acquisitions, Loans and Disposals Report

9. Update on Progress towards the Russell-Cotes becoming a fully Independent Trust

The Chairman presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'C' to these Minutes in the Minute Book.

Public Report

An agreement for a financial settlement between BCP Council and the potential new corporate trustee of the Russell-Cotes charity was successfully progressed in late 2023 and was formally agreed at a full meeting of BCP Council in February 2024.

Therefore, an application has been made under Section 73 of the Charities Act 2011, to the Charity Commission to repeal Section 57 of the Bournemouth Borough Council Act 1985, enabling the Council to be replaced as sole trustee by a new corporate trustee. The Commission is currently drafting a Scheme for agreement with BCP Council that will provide appropriate governance arrangements for the future trustee, which will then be agreed by DCMS and in due course laid before parliament. The Scheme will amend the archaic provisions in the original indentures,

ensure the continued interest of the Council and Meyrick estate and deal with other legal issues as advised by the legal advisers.

Progress is also being made in registering the new Company Limited by Guarantee which will act as the sole trustee in place of the Council and starting to recruit to a Board of Directors.

The earliest this order can be granted is 6 to 12 months.

Sharp Pritchard gave an update on the draft Scheme which was in confidential session due to the nature of the report.

The Committee was keen to expedite matters, the Committee will review all documents and the legal team at BCP will liaise with the solicitors.

RESOLVED that

The Management Committee review the report and the Scheme and legal advice, as available and

a) agree the proposals outlined

note that there is potential for the vesting date of the new arrangements to be delayed until 1 April 2026

10. Update on 'Repair and Renewal' Project funded by ACE MEND etc for replacement of environmental plant and machinery, restoration of Conservatory etc

The Museum Manager presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'D' to these Minutes in the Minute Book.

Public Report

The budget for this ACE MEND Round 1 funded project to

- replace the environmental plant and machinery.
- repair the conservatory.
- improve drainage.
- increase CCTV security.

has been increased to £1,050,000 (from £974,000) because of higher costs for the conservatory repair. Additional funding has been allocated from the Museum's restricted reserves.

The replacement of the plant is largely complete and the repair of the conservatory is now underway and everything is on schedule to be completed by 31 March 2025 as required.

A further application was submitted to MEND Round 4 fund to carry out further urgent repairs. £1.4million has been sought which would allow very

significant work to be undertaken. Match funding of £250,000 would be sought from CIL, as identified in the report.

RESOLVED that
The Management Committee reviews the report and approves progress to date

11. Policy and procedures for audit and damage and loss

The Museum Manager presented a report, a copy of which had been circulated to each Member and a copy of which appears as Appendix 'E' to these Minutes in the Minute Book.

Public Report

In the light of recent high-profile losses at national museums, the Russell-Cotes is introducing new policies and procedures on audit and damage and loss to reduce risk and demonstrate accountability, in line with best practice in the sector.

Existing procedures had been reviewed and two further policies created to introduce more detailed procedures which were proportionate for the risk and resource. The Audit Policy lays out a sample based audit routine and regular checks so that regular checks might identify losses or thefts. However, proportionally it will only be a small selection out of a collection of 40,000 items. The Damage and Loss Policy identifies the procedure should any loss or damage occur. It lays out the procedure for any loss to ensure that it is properly recorded, reported to the curator, manager, Management Committee and police as appropriate and a review undertaken of any changes needed.

RESOLVED that
The Management Committee agree the policies and procedures for

- **Audit**
- **Damage and Loss**

12. Date of next meeting

The next meeting will be held on Monday 28 October at 2:00pm

The meeting ended at 3.05 pm

CHAIRMAN