

Report subject	Russell-Cotes Art Gallery and Museum Arts Council England (ACE) Museum Estate and Development (MEND) Grant
Meeting date	13 May 2025
Status	Public Report
Executive summary	<p>In August 2024 the Russell-Cotes Art Gallery and Museum applied for a grant from Arts Council England (ACE)'s Museum Estate and Development Fund Round 4, to fund urgent repair work on the fabric of the building.</p> <p>In February 2025, ACE wrote to confirm success and an allocation of £1,500,817, match funded by £250,000 from CIL and £109,317 from legacies to the Museum charity, making a total project grant of £1,860,134.</p> <p>This paper informs Cabinet of this success and seeks delegation to formally accept the grant and invest awarded money and match funds in line with the application to ACE.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <ul style="list-style-type: none"> a) Recommends Council to accept the £1,500,817 from Arts Council England MEND Round 4 and delegates authority to the Director of Customer & Property to complete the formal acceptance process on behalf of the Council b) Notes the match funding of £250,000 from CIL and £109,317 from restricted legacies c) Approves their investment in the project outcomes of urgent repairs and renewals outlined in the application to ACE
Reason for recommendations	<p>Financial Regulations require the acceptance of external funding and approval of any project over £1million by full Council.</p> <p>ACE require Cabinet approval before payment can be made.</p> <p>The grant will be spent on urgent remedial maintenance of the Russell-Cotes Art Gallery and Museum (of which BCP Council is sole trustee) to ensure it can remain open and survive.</p>

Portfolio Holder(s):	Cllr Andy Martin, Portfolio Holder for Customer, Communications and Culture
Corporate Director	Glynn Barton, Chief Operations Officer
Report Authors	Sarah Newman, Manager, Russell-Cotes Art Gallery and Museum Matti Raudsepp, Service Director, Customer and Property
Wards	Council-wide
Classification	For Decision

Background

1. The Russell-Cotes Art Gallery and Museum is a Grade 2* listed historic house with an internationally important art and world culture collection. It has been operated by BCP Council (and its forerunners) since 1923 as its sole trustee. It is Bournemouth's most significant heritage and cultural asset.
2. For the last 20 years, Bournemouth Council and later BCP Council have not been able to maintain the Museum adequately and its fragile, highly decorated interiors and exteriors in the exposed location of the Bournemouth clifftop exposed to increasingly ferocious storms are now at the point of catastrophic failure, putting its valuable collections at risk, as well as income generation and operations. Water ingress through failing decorations in multiple places has resulted in partial and total closure for visitors. Pest infestations in offices have put rooms out of use and threaten the collection. End of life services and poor security are resulting in regular episodes of anti-social behaviour and lead theft.
3. The governance arrangements of the Museum have been under review for a number of years in order to improve its financial and organisational sustainability and increase investment. The Charity Commission has recently completed its drafting of the charitable scheme to enable a new dedicated Sole Trustee to assume the responsibilities of the Council for the Charity. The process has now moved into the parliamentary phase for Department of Culture Media and Sport to draft the associated Order to be laid before Parliament with a target completion date of 1 October 2025. At completion the responsibility for managing the museum and its assets will transfer to the new trustee and will no longer be the responsibility of the council.
4. In Spring 2024, the Arts Council England (ACE) announced Round 4 of MEND (Museum Estate and Development Fund) to support essential maintenance in the Museum sector. The Russell-Cotes had received funding in Round 1 of £518,000 to replace all plant and repair the conservatory.
5. The Russell-Cotes submitted an Expression of Interest to ACE for funding from MEND Round 4 of further vital maintenance work and was invited to make a full application for work to start in April 2025.

6. Work was identified to deal with the most urgent needs of the building (ie required in the next 18 months) as outlined by a conservation led and Quantity Surveyor costed condition survey. It would:
 - Provide additional security measures
 - Construct new drainage
 - Redecorate and overhaul sea facing facades, roofs, joinery and guttering
 - Install new services – CCTV, intruder alarms, emergency lighting
 - Enable disabled access
 - Install fire safety and protection measures
 - Restore water damaged murals
7. Funding of £1,500,817 has been awarded from Arts Council MEND 4. Match funding is necessary to lever MEND funding and will be contributed from:
 - £250,000 CIL (committed and reported to Cabinet 5 March 2025)
 - £25,000 Mrs Hart Legacy
 - £84,317 Miss Stallard Legacy

£1,860,134 Total Project

Options Appraisal

8. Option 1 Accept the grant and maintain the Russell-Cotes Art Gallery and Museum.
RECOMMENDED
9. Option 2 Decline the grant and allow the Museum to deteriorate further.

Summary of financial implications

10. Accepting the grant will allow urgent maintenance work required in the next 18 months.
11. Declining the grant would leave the total liability for all urgent building work with BCP Council as sole trustee. It risks closing the museum to the public and causing irreparable damage to the building and puts the collections at risk.
12. Risks of cost inflation have been mitigated. The work has been developed to RIBA Stage 3, by specialist conservation accredited surveyors and architects, costed by a QS and includes an element for inflation and contingency in line with sector expectations. The work should be completed in 2026.
13. Further repairs in the next 3 to 5 years are required (c £2million) which are subject to discussions with National Lottery Heritage Fund (NLHF) about a phased approach to long-term capital investment, once the Russell-Cotes is independent of BCP Council.
14. Formal acceptance of the grant by Council is required in order to begin drawing down the funding.

Summary of legal implications

15. ACE require a Deed of Covenant with BCP Council with a restriction on title over the freehold of the Project Asset for a period of 20 years and a Certificate of Title and letter of undertaking as to registration at the Land Registry.
16. RCAGM previously met these legal requirements for the previous round of MEND.
17. The Russell-Cotes is moving towards full independence from BCP Council, with a target date of 1 October 2025, however, the timetable is dependent on parliamentary time and is therefore outside the control of the Council. ACE is aware of the likely governance changes and the grant would novate to the new Trustee for administration when the changes take place.

Summary of human resources implications

18. None

Summary of sustainability impact

19. None

Summary of public health implications

20. None

Summary of equality implications

21. None

Summary of risk assessment

22. Not accepting the grant would result in the further deterioration of the fabric of the building putting the staff and visitors at risk and potentially leading to the closure of the building for periods of time, if not indefinitely. Water ingress and pest infestations are putting the collections at risk.
23. Allowing the museum to deteriorate to the point of closure or failure is not acting in the best interests of the charity and the Council, as sole trustee, risks reputational damage if it were to refuse the grant.
24. Failure to accept the grant would put the current governance change programme at risk as the new sole trustee is not likely to take on the liability for the Museum, if significant further deterioration has been allowed to occur and opportunities to rectify it not taken.
25. Failure to take the grant would leave the entire liability for building work valued at nearly £2million with BCP Council.

Background papers

None.

Appendices

There are no appendices to this report.