



**The Old Surgery, Oldmixon Manor
Weston-super-Mare BS24 9PB**

**Telephone 01934 811955
www.hilarymcgowan.co.uk**

HEREFORDSHIRE COUNCIL

SUMMARY REVIEW OF MUSEUMS & ARCHIVES SERVICES

HILARY McGOWAN

with

ALASTAIR STEVENSON, MPA

and Lancaster Parr

February 2016

HEREFORDSHIRE COUNCIL

REVIEW OF MUSEUMS & ARCHIVES SERVICES

1. INTRODUCTION & BRIEF

1.1 Introduction

Herefordshire Council issued a Brief for a consultancy to review future opportunities for the Museum and Archive Services in the light of local government changes and financial pressures. The review was to evaluate the viability of the services operating on a zero based subsidy, which we understood to mean without any financial input from the Council.

We were pleased to be approached to submit a proposal for this work. Hilary McGowan, the leading Resilience and Governance Heritage Consultant, created a bespoke team for this project with Alastair Stevenson of Marketing Planning Associates, the business and market planning consultants, and Rosie Parr of Lancaster Parr, the leading law firm specialising in charities and community interest companies.

Central government's cuts in grants to local authorities have forced all of them to re-assess priorities but at the same time, growing demands from social services and education have put their dwindling revenue budgets under additional pressure. Local authorities can look to heritage to support them in economic regeneration, skills improvement, promoting health and wellbeing, and community engagement. One of the reasons why they subsidise heritage services is that they are labour-intensive and require professional skills; this gives a democracy of opportunity to the residents of any local authority, preventing them being excluded from services by economic disadvantage. But the financial pressures mean that it is now difficult for local authorities to afford these services so they must earn as much income as possible.

1.2 Our Brief

The Council's Brief stated that the outcomes of the project were to be:

- " To create a road-map for museum and archive services with the intention of moving to a zero based subsidy.
- To present opportunities for the service in meeting the requirements of a contemporary local and visiting audience.
- To recommend a future delivery model for the service, including objectives, purpose and financial overview.

This review has been commissioned to consider the future opportunities for the museum and archive services in the light of local government changes and pressures. The review specifically needs to evaluate the feasibility of the service operating on a zero based subsidy."

Knowing that no local authority heritage services¹ elsewhere in the UK operate without any public subsidy, our proposal for this work included the additional amendment of:

“if operating on a zero based subsidy is not feasible, we would consider the steps the Council could take so that progress could be made towards this situation”.

This amended wording was incorporated into our contract and so became part of our Brief.

Though initially not included, premises-related and central support costs have been included when savings options were examined. Much of this Review was carried out before the Museum & Art Gallery building was closed in September. So Section 3.4 on the Museum & Art Gallery should be read in that context. However, the financial income and savings ideas are discussed in the light of not only the closure but the unlikelihood of the building re-opening in the immediate future.

1.3 Summary of savings and income ideas

1.3.1 The feasibility study part of our Brief became very clear quickly. As the controllable parts of the revenue budgets of both Services total approximately £500,000 and this was also the total savings target ahead, it was easy to see that the Services were not able to earn sufficient income to cover their staffing and running costs. It is not feasible for these Services to run in their current form without financial support from the Council. No County Archive runs without public funding and no local authority Museums Service runs without financial support¹. Independent museums do run without public funding but their operating costs are smaller than local authority museums, they have no central support costs to cover and staff are employed on different conditions of service.

Ideas for savings and additional income generation are described in sections 4 and 7. They are summarised here:

1.3.2 Short term savings (by 2016/17)

Closure of Museum & Art Gallery
(includes redundancies but not their costs)

up to £70,000

savings & business rates while
closed needs clarification

1.3.3 Additional income (short & medium term)

- car park charging at HARC: **additional £5,000** per year
- expanded learning & outreach service: **additional £6,000**
- commercial conservation and collections advice services and renting of bench space at HARC to self-employed conservators: **£15,000** per year

¹ no local authority museum operates without public subsidy other than the Roman Baths in Bath, a tourist honeypot, though independent museums do

- increased lettings of meeting/event space at HARC and Friars Street and release of office space to other Council departments: **£5,000** per year
- promote licensing of images (photographs, paintings, maps) for commercial use, via an agency such as Bridgeman Art Library, up to **£5,000** per year (and consider a partnership with e.g. Ancestry UK, for putting family history archives online)
- development of the Brian Hatton Centenary exhibition and Pop Up touring shows, from spring 2016 onwards, income from retail lines and events: **£10,000**
- develop retail sales at The Old House with a theme of *Made in Herefordshire*, up to **£5,000** per year

Although none of these ideas can produce this income instantly, these figures demonstrate the potential.

1.3.3 Invest to save: create Commercial & Marketing Manager posts at £30,000 each (see Sections 7.2 & 8.4) to enable some of the above income to be earned and additional income and partnerships to be developed for medium and longer terms. The Commercial Manager is the most urgent to be created, funded by the immediate savings identified above.

1.3.4 Longer term savings 2018/19 onwards

These need more detailed assessment:

- reduction of services at HARC achieved through restricted opening times/public access enabling a reduction in staff numbers;
- use of space at HARC for other Council services (savings to be found through these services not paying current Premises costs);
- amalgamation of services with other local authorities or joint provision; in particular making use of the state-of-the-art facilities at HARC, with potential of up to £40,000 per year: this is recommended in section 7.2.

NB: many of these ideas require assessment as they have an impact on existing workloads or require policy decisions so cannot be simply undertaken without assessing if a net contribution would be delivered, e.g. if considerable conservation is to be undertaken for external clients, then the conservators will have less time to work on the priorities of the permanent collections.