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**HEREFORDSHIRE COUNCIL**

**REVIEW OF MUSEUMS & ARCHIVES SERVICES**

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with

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**February 2016**

**HEREFORDSHIRE COUNCIL**  
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## 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 services<sup>1</sup> 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 support<sup>1</sup>. 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

<sup>1</sup> 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.

An action plan for the next year is in section 8.4 on page 42.

## 2. NATIONAL CONTEXT

### 2.1 MUSEUMS AND ARCHIVES

**2.1.1** Archives comprise manuscripts, books, photographs, maps, plans, business records, sound and moving images and digital records. Museums hold primarily 3 dimensional material but also hold archives such as books, photographs and maps. They are both collections-focused services which preserve their objects and help the public to understand and use them. There are approximately 2,000 archives in the UK and 2,300 museums, many of whom are part of the same organisation.

Museums and Archives can support and contribute to key corporate objectives of all local authorities in areas from economic prosperity, health and wellbeing, to improving skills and educational attainment. They can work across council departmental boundaries and provide a safe environment, even for those who are non-users, to access new learning and stimulation.

The Department for Culture, Media & Sport (DCMS)'s annual *Taking Part* survey about the leisure and cultural habits of adults and children in England, is now in its tenth year. It includes museums and archives. In 2014, the most recent to be published, the survey found that:

- the majority of adults (77%) of adults attended or participated in the arts at least once in the previous year
- seven in ten adults (72%) had visited a heritage site at least once in the previous 12 months
- 5% of adults visited archives including 11.6% as users online
- 52% of adults had visited a museum or gallery in the last year.

Arts Council England (ACE) administers the Museums Accreditation Standard and awards the Standard through a national Accreditation Committee. Established in 1988, this has become the standard which denotes a professionally managed museum and as such is a badge of recognition for the quality of services to supporters, donors and grant-making bodies.

The Archives Accreditation Standard was introduced last year and was designed to be complementary to the existing and successful Museums Accreditation, and with other cultural sector standards such as PAS 197<sup>2</sup>. As the Archives Service has been creating and moving to HARC, they have not been able to apply for Accreditation but intend to begin the process in the coming year. The Accreditation Standard is administered by The National Archives (TNA) with awards granted by an Archives Service Accreditation Committee.

Both Standards share the same focus on organisational health, collections and stakeholders and their experiences. Both schemes have the same ethos of helping to raise standards and reward achievement.

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<sup>2</sup> PAS 197 came into effect in January 2009. It was developed by the British Standards Institution and sponsored by the Collections Trust, with support from a steering group of 16 organisations representing archives, libraries and museums across the UK

### 2.1.2 Archives

There are over 1,000 linear kilometres of records in UK local authority archive services. Net revenue spending on archives by UK local authorities is 81p per person per year in 2010/11. Local authority archives receive around 750,000 remote enquiries each year and over 30m visits to their websites.<sup>2</sup>

Archives sit within a statutory framework which museums do not have; e.g. local government has a statutory duty to preserve their own records. Local authorities are covered by several local government acts regarding the safe keeping and accessibility of records. In addition there are measures covering Church records, court, prison, hospital and school records and many other aspects of public life.

### 2.1.3 Museums

The English museums sector overall has 38,165 employees working on 2,720 sites. These museums earn £2.64bn per year and have an output (into the economy) of £1.45bn. Of these figures, local authority museums account for 3,415 employees on 245 sites. Their earnings are £240m and outputs are £160m. (These figures are for all museums, local authority, national, independent, universities and Ministry of Defence.)

Research conducted by the Esmée Fairbairn Foundation and Arts & Business, showed that public sector cuts have fallen hardest on museums dependent on local authority funding, rather than other types of cultural organisations.

Existing research on the impact of museums has focused on the social and learning aspects, and tourism spend. The Museums Association's market research on public attitudes towards museums found that respondents felt museums played a vital role in society, with an impact much wider than just at the individual level. This informed the MA's policy document *Museums Change Lives*<sup>3</sup>, published in 2013. The main principles of which are:

- Museums enhance well being
- Museums create better places
- Museums inspire people and ideas.

Mostly the impact of museums has been quantified through tourism spend so this became a refreshing addition to the tourism data. But museums also have a key role to play in the economy. The Association of Independent Museums (AIM) has an economic impact toolkit on its website which allows museums to calculate their impact on their local economy.

Earlier in 2015, ACE published *The Economic Impact of Museums in England*<sup>5</sup>. One of its observations is as follows:

“Museums play a number of roles in some local economic development and regeneration strategies and projects, often linked to site-based developments or providing a sense of place. In addition to providing a destination to attract visitors, museums can support a development with a sense of identity and authenticity.”<sup>4</sup>

<sup>2</sup> these statistics all CIPFA 2010/11

<sup>3</sup> Museums Change Lives, Museums Association, 2013

<sup>4</sup> *The Economic Impact of Museums in England*, ACE, February 2015



The ACE report continues:

our “case studies indicate museums have a number of routes by which indirect economic impact may be achieved. These routes come in the expected forms of procurement (which tends to be focused on local suppliers), visitor spend (which is more significant for some locations than others), and place-making and regeneration (where museums and heritage offers have been significant elements of a development). **But the routes to impact noted in the case studies also come in the unexpected forms of business partnerships**, some of which are explicit commercial relationships that generate income for museums, while at the same time enabling others to generate employment and value (e.g. computer games), and some of which are related to the economic spill-overs associated with clusters of activity ... The partnership and in-kind nature of some of this activity is difficult to capture in a systematic way, and simply does not form part of what statisticians seek to measure when they measure national income; however, that does not mean they [museums] are not economically important.”<sup>5</sup> (*our bold*)

For every £1 spent on the Herefordshire Museums Service, £8.41 is released into the local economy. Herefordshire’s 33 heritage attractions bring at least £18.8m of tourism value to local businesses.<sup>6</sup>

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<sup>5</sup> page 22, *ibid*

<sup>6</sup> AIM Economic Toolkit, using 2013-14 user figures

## 2.2 THE REGENERATIVE VALUE OF CULTURE

The value of cultural developments has long been recognised and culture has been used to regenerate both urban and rural areas throughout the UK. Since Glasgow's *Miles Better* campaign in 1983 with its opening of the ground breaking Burrell Collection gallery, many local authorities have used culture to improve their image, re-generate their public spaces and boost their economies.

As the ACE report, quoted in 2.1.4 above, says:

“last year a survey of local authorities explored the value that they placed on arts and culture; economic development emerged as the main reason for them to fund culture”<sup>7</sup>. ACE's Chief Executive recently stated that because of the role cultural institutions can play in place-making, “local authorities are defining themselves more and more by their cultural institutions in shaping that place” despite their financial problems.

Further details of how this has worked in places ranging from Liverpool and Manchester to rural Dorset are provided in Appendix II. This includes Hull, a similar city to Hereford and the UK City of Culture in 2017. The Courtyard Centre for the Arts, which is leading on Hereford's own bid for UK City of Culture, has been working closely with Hull to learn from their success.

## 2.3 STATUTORY BASIS FOR ARCHIVES & ARTS COUNCIL ENGLAND

The National Archives (TNA) took over the regulation of archives in England and Wales in 2011. This was at the same time as ACE became responsible for museums.

TNA has designated Herefordshire Record Office as a place of deposit for public records. In addition, it is also the Diocesan Record Office for the Diocesan of Hereford and for Church of England Parish Registers under the Parochial Records and Register Measure.

TNA was invited to contribute to our consultations but said they would contact the Council directly once the results of our report were known.

The statutory responsibilities of local authorities for archives are detailed in Appendix III.

ACE's policy document for culture identifies five common goals for all cultural organisations in the years to 2020. This ten year strategic framework<sup>8</sup> highlights how the broad spectrum of cultural organisations can mesh and support each other. These policies are outlined in Appendix IV.

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<sup>7</sup> quoted on page 22 in ACE, op cit

<sup>8</sup> *Great Art and Culture for Everyone 2010-20*, ACE, 2013

## 2.4 SPINNING OUT FROM LOCAL AUTHORITIES

Local authorities have for many years spun out leisure services in particular, persuaded by the benefits of converting to charitable trusts and mutuals. The growth of Greenwich Leisure Limited, the first spun-out leisure mutual in 1993, inspired others to follow. In addition, many local authorities are, like Herefordshire, involving community- based groups to run selected sites and services such as branch libraries, in order to maintain them<sup>9</sup>. Herefordshire Council has put several contracts out of the Council with The Courtyard Centre for the Arts, HALO (the contract for leisure centres) and Brightstripe (for arts and sports development).

Approximately 70 museums, mainly in England but some in Scotland and in Wales, have now been established as independent charitable trusts and several are in organisations which also include archives, arts development, theatres and/or libraries. This number is still growing.

Although archives have also left local authorities there are fewer of them independently managed than museums. Culture Coventry (2013) includes archives, museums and the local studies library. The South West Heritage Trust (2014), created by Devon and Somerset County Councils, includes both county's archives and local studies libraries with Somerset County's Museums and Historic Environment Record. This is the first organisation to be created by a partnership of two local authorities and they are open to further expansion. In some cases, existing charities have taken over running archives such as Redbridge Culture and Leisure, established as a trust in 2007, which acquired heritage services in 2010 and Woodhorn Charitable Trust who, since 2009, has managed Northumberland County Archives and three museums in this large rural County.

Last year, TNA published a major report assessing the experience of county record offices which have been set up in a new charitable organisation. Called *In a Spin*<sup>10</sup>, this important report states:

“However a spin-out has been initiated,  
it will not succeed without encouragement and support, and the  
local authority will need to ensure that  
the spin-out is set up to succeed.”<sup>11</sup>

Further details of this report and other aspects of spinning out cultural services are in Appendix V.

Many local authorities have built joint archives or history centres and many museums services are now creating formal partnerships to create critical mass and share specialist services. The museums in the West Midlands, of which Herefordshire is a part - working as the Marches Network - are currently exploring the future potential for partnerships. These ideas are picked up within a recommendation in section 7.2.

<sup>9</sup> this is as a result of the Localism Act, 2011

<sup>10</sup> *In a Spin*, The National Archives, 2014 (this has led to *spinning out* becoming the way to describe this move)

<sup>11</sup> *ibid*, page 14

### 3. SERVICE REVIEW

#### 3.1 HEREFORDSHIRE ARCHIVES & RESOURCE CENTRE

The new Herefordshire Archives and Resource Centre (HARC) is the first PassiveHaus building in the UK. Already acclaimed by the architectural press, this wonderful building now provides a location worthy of the nationally significant Archives which it houses.

We believe that the Council are to be congratulated on their long term vision for Archives in commissioning this building and ensuring that expansion space for the future has been provided. Their far sightedness in using PassiveHaus design has also ensured that HARC will be affordable to run. This also links to the Corporate Plan objective under Environment:

*protecting and promoting our understanding of the natural environment and heritage for the benefit of all.*

TNA has recently inspected HARC and said that the Council has “created one of the most advanced local archival facilities in the country to date”<sup>12</sup>.

The public areas of HARC - the search and meeting rooms and the offices - are in the front part of the building, nearer to the main road. All have natural light, with the rooms in the back of the block top lit; all rooms have natural ventilation. This is green technology which is not only affordable in terms of running costs but better for both collections and people than air conditioning. The blank walls of the archive block itself sits behind this, linked by bridges, so sealing the collections and separating the functions cleanly in addition to being very effective operationally.



HARC entrance showing the link between the two blocks

The Archive collections occupy over two miles of shelving and date back to 12th century.

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<sup>12</sup> TNA letter of 9<sup>th</sup> November 2015

The main classes of holdings are:

- Local government: historic records of Herefordshire Council and its predecessors, Hereford City and Leominster Borough, district and parish councils
- Diocesan: diocese of Hereford
- Parish: registers and records of Church of England parishes within the County of Herefordshire
- Public: Coroners' records, Quarter and Petty Sessions, Constabulary and Magistrates records, hospitals and health authorities, Inland Revenue and District Valuation records
- Private: relating to all aspects of the history and development of the geographical county of Herefordshire, and its inhabitants. Collections include the archives of non-conformist ecclesiastical bodies, businesses, estates and manors, private individuals, and a wide range of societies.

The move from the former Archives building on Harold Street has, not surprisingly, necessarily caused the Service to fall behind other county services in several areas of public access. Most notably, this is manifest through very limited numbers of documents being available online, in contrast to most other county record offices. However, now the index of Wills is online<sup>13</sup> and many of the catalogues are included on the Access to Archives and the National Register of Archives websites. This has resulted in an increase in remote orders for copies of wills and is an example of how internet availability will stimulate awareness and use of the Archive.

HARC now has a good space in which to base a digitisation project. The Archivists recognise that, now the move is complete, they must assess the options for how to approach digitisation.



HARC's main search room before collections were moved in

User figures for the Archive's Search Room are as follows:

<b>2011-12:</b>	3,359 (last year of full opening)
<b>2012-13:</b>	3,160 (includes 4 sets of fortnightly closures to begin preparation work)
<b>2013-14:</b>	1,372 (open 1 week per month April to Dec., then closed Jan-Mar 2014)
<b>(2014-15)</b>	closed all year)
<b>2015-16:</b>	1,617 (from 4 <sup>th</sup> August to end of 2015)

The Council's Historic Environment Record (HER) and the Archaeology service, along with the Biological Records Centre are all based at HARC. Their work is complementary to the Archives service so this is a sensible decision.

We carried out most of our surgery sessions at HARC. All our consultees who had not already visited, were delighted to see the new building. The Archives staff now work from a state-of-the-art building which is the envy of many. This will be a good base for them to create a more modern and responsive Service.

<sup>13</sup> [www.herefordshire.gov.uk/leisure-and-culture/local-history-and-heritage/archives-collections](http://www.herefordshire.gov.uk/leisure-and-culture/local-history-and-heritage/archives-collections)

However, the staff are not marketing and commercially minded. This is not to say they do not have ideas for income generation or the ability to implement them, but they lack commercial acumen. This is not surprising as they have not been recruited to be so; as with any officer in a local authority, they were all employed to deliver a professional service to the public. However, they are bright and motivated enough to respond if a commercial manager was appointed to take the lead on income generation. (More on this is in 7.2 below.)

The Archive has not engaged in active audience development but now it has more space, more facilities and additional technologies, it is well placed to stimulate new audiences. It does not have a budget however for audience development, marketing, educational pilots, indeed it does not have any learning staff though at least one of the Archivists is capable of working in this area. The learning staff in the Museums Service could assist here and help to develop joint packages. This is one of many examples where the two Services coming under one senior manager is an advantage.

The demands of audiences for research in archives now is much more focused on the resources available on the web. The popularity of TV programmes such as “Who do you think you are?” has fuelled a huge rise in family history researchers. As a result, a large percentage of users are family historians and genealogists. This is a large market for more resources online.



HARC's main search room

Some Archives have entered into partnerships with such as Ancestry UK, which may not earn significant amounts of income but get the documents out to a wider audience. Since HARC's Wills Index has been available online, there has been an increase in requests for copies from remote users, demonstrating the need. Record Offices elsewhere in UK who have considerable numbers of documents online have found that this does not suppress user numbers, quite the contrary: those who now use their offices have more sophisticated needs and are researching at a more advanced level.

We have not included a specific recommendation on implementing digitisation for two reasons: the Archivists are already assessing it and it is too complex an area for us to estimate the investment needed and the possible income and user benefits alongside the rest of our work. But we support its investigation as it should be a priority for the Service.

Herefordshire Council should be proud of their new Archive building and use it as an asset to promote the heritage and history of the County.

### 3.2 MUSEUM RESOURCE & LEARNING CENTRE

Funded by the Heritage Lottery Fund (HLF) with the local authority, the Museum Resource & Learning Centre (known as MRLC) opened in 2007. It is housed in a former Cold War telephone relay station which had belonged to the Post Office/BT and which Herefordshire Council purchased.

It houses all the collections of the Museums Service in a stable and secure environment, in fixed and roller racking, and drawers. As it was designed to be a publically accessible store, there are drawers with perspex tops which show a display of key objects, illustrating the range and depth of these significant collections.

The collections are wide ranging and include archaeology, social history, fine and decorative art and natural history. All collections are from, or linked to, the County of Herefordshire. The curatorial and learning staff are all based at the store and there are learning and meeting rooms which are also available to hire.

It is a superb store and one of the best in the country for care of collections and accessibility. However, the store only has expansion space for archaeology (which was designed) and there is now no space for additional social history for example, a collection which should have a contemporary collecting programme. The wheeled vehicle store is particularly crowded making it impossible to even view the vehicles.

The Museums Service is a recognised place of deposit for archaeological finds. Hereford is one of 5 English cities designated as an Area of Archaeological Importance (AAI) under the Ancient Monuments and Archaeological Areas Act 1979. So the City's historic significance and national importance has long been recognised and the County has more hillforts than anywhere else in Britain. Consequently, the archaeological collection will continue to grow even if other types of objects are not actively being collected. If a major find or objects were to be offered to the Museums Service – and because of the archaeological importance of the County, if this happened it is most likely to be archaeology – the Museums Service may struggle to be able to display and exploit anything significant (see section 3.4 below).

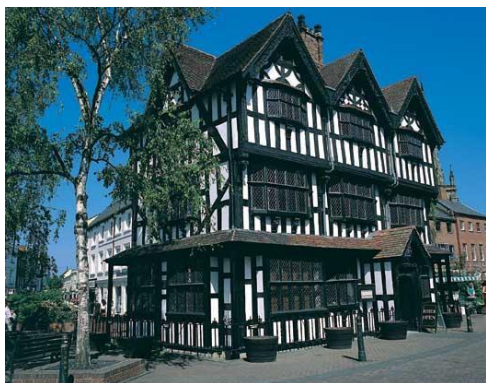
The grant from HLF supported the creation of MRLC not just because of the significance of the collections but also because of the publicly accessible nature of the building. Regular tours of the stores take place (and additional ones have been available while the Museum & Art Gallery has been closed) and courses, lectures, workshops and other events take place there. These make good use of the collections for which other venues would not be suitable.

The senior curator, called the Museum Team Leader, is not being used to her best ability as she spends too much of her time as a caretaker and housekeeper. This is a bad use of limited financial resources and does not allow professional officers to do the jobs for which they are employed so they become much less effective than if they had the business support they need. We welcome the new senior manager's commitment to providing more effective business support for the Museums Service to manage the MRLC building, service the room hire and allow the curators to do their job.

The Museum Resource & Learning Centre is the official name of the centre, does not trip lightly off the tongue. **We recommend** that consideration be given to re-branding the building – perhaps as part of a re-launch of the newly invigorated Museums Service? – to one with a shorter, more memorable name which can have meaning for everyone.

### 3.3 THE OLD HOUSE

The Old House is a former butcher's house and shop which stands in splendid isolation in the centre of what now appears to be a market square, High Town. Pevsner remarks that it is "lively enough" to stand in for the former Town Hall (demolished in 1862 and described as "the most fantastic black and white building imaginable"<sup>17</sup>). The Old House was built in 1621, is timber framed and has projecting windows, carved bargeboards and a gabled top storey. It later became a bank with Lloyds Bank giving it to the City of Hereford; it opened to the public in 1929.



The Old House

Visitor figures in recent years have been:

2012-13:	34,762
2013-14:	26,656
2014-15:	16,080 (open < 20hrs/wk)
2015-16:	15,937 (to end of 2015)

Inside the House is small but full of interest, and is furnished as a early 17<sup>th</sup> century dwelling. The floors and the staircase up to the top two floors are, naturally, very uneven so it is not suitable for those not physically able. It stands alone and the striking exterior mean that tourists exploring the City are immediately drawn to it. Many think it is the TIC, especially since the recent closure of the tourist office. The Museum Front-of-House (FoH) staff are very keen to give visitors as much information as possible about the City and County and they are eager to do more. They are undoubtedly an energetic resource for the Museums Service and although we recommend closure of the Museum & Art Gallery to make immediate savings, the consequent impact on the FoH staff may make this recommendation a short sighted one. As with so much of this report, the Council must strike a balance between making the immediate savings they seek and medium and longer term investment.

The gift from Lloyds Bank to the Council has a restrictive covenant upon the uses of the building. The Deed of Gift states that "the Corporation with the intent and object that this covenant shall run with the said premises hereby conveyed Hereby Covenant with the Bank that The Old House shall not at any time hereafter be used for any commercial purpose of any kind whatsoever or re-sold by the Corporation". The Land Registry entry states that the Bank gives the building "free of any resulting trust in favour of the Bank" provided that "the Corporation would undertake that the said premises should not be used for any Commercial purpose or re-sold as thereafter provided in the covenant".

Although ideas in this report cover using The Old House as a focus for Herefordshire Information and selling crafts, if the income was for the Museums Service, then it could not be classed as "commercial" but it should be seen as supporting the Museums Service. However, we stress that this is our view, not a opinion from a solicitor, so if the Council wanted to pursue these ideas, they should ensure they take legal advice beforeproceeding.



### 3.4 MUSEUM & ART GALLERY

The Museum & Art Gallery on Broad Street shares its building with the Library. The building was built to be a Free Library and was paid for by James Rankin, a member of the Woolhope Naturalists' Field Club<sup>14</sup> and the North Herefordshire MP. Built on land which originally belonged to the Cathedral, the Club's original, purpose-built meeting room within the building remains its headquarters. The building opened in 1874 with the Library on the ground floor and the Museum above it.

Pevsner states:

*"Public Library and Museum, Broad Street. By F.R. Kempson 1872-1874. Of blue grey Pontypridd sandstone, narrow coursed, with golden Campden ashlar dressings. The style is 'Anglicised Venetian Gothic'. He continues: it features "an astonishing array of fauna and flora ... those of the ground floor capitals represent Europe, Asia, Africa and America. Beasties even break out from the quatrefoiled parapet".*<sup>15</sup>



a capital of one of the columns at the entrance to the Museum on Broad Street

Its gothic architecture is typical of museums and other public buildings of that period, a style popularised as a result of the influence of Ruskin's book *Stones of Venice*. Many Victorian philanthropic institutions built to educate the masses were of this design, to share research by learned societies and display objects from collectors and explorers. It is reminiscent of Bristol Museum<sup>16</sup> and the Royal Albert Memorial Museum in Exeter, both being of a similar date, style and appearance.

In 1911, a bequest by Sir Joseph Pulley and his nephew allowed the Council to buy land to the rear of the building opening onto Aubrey Street. This gave an extension for the Library and the Art Gallery upstairs which opened the following year. The original conveyance of the building stated that it should be used for the purposes of a Free Library only. On 25<sup>th</sup> October 2000, this covenant was released "to the extent necessary to enable the property to be used as a museum and art gallery"<sup>17</sup>.

The entrance hall leads directly into the Library on the ground floor and a staircase rises from the right to the upper floors. The entrance is untidy and, as you enter, the whole has the air of a slightly neglected municipal building.

<sup>14</sup> the learned society, founded in 1851 and, despite its name, not limited only to natural history

<sup>15</sup> [The Buildings of England: Herefordshire](#), Alan Brooks & Nikolaus Pevsner, 2012, page 316

<sup>16</sup> which is now a Brown's Restaurant as the building was bombed in 1940

<sup>17</sup> copy of the conveyance provided to us by Herefordshire Council



The Woolhope Club Library  
(from Conservation Management Plan)

The stairs climb through a mezzanine and past the impressive Woolhope Club room (see left) with its original library shelving, into the Museum itself on the top floor.

The rear of the top floor is fitted out to display temporary exhibitions, some created in-house – such as last summer's *Spun Gold* exhibition about wool – and some showing visiting artists and other collections from local people.

Along the right hand side is the Brian Hatton Gallery, displaying changing hangs of Hatton's work after the closure of the external Hatton Gallery in 2002 in Churchill House.

In the front part of this floor are the Museum displays which form a strong contrast to the high standard of exhibitions in the rear part. The collections are not shown to their best advantage and have grown, using a variety of display cases, in an seemingly random layout. There is no sense of arrival as a visitor reaches the top of the stairs and the story of Herefordshire is told in a disconnected story line through the displays. It looks as though it needs updating and investment but on closer inspection the wonders of the collection can clearly be seen. This summer the displays were a contrast to the very attractive *Spun Gold* exhibition which illustrated how outstanding is the collection and what a high standard of work the staff can achieve. (See also comments on the Museums Service's development plan below in 3.5.1.)

There is no shop but a display of disparate objects near the entrance, and no tea room or coffee shop. The *Spun Gold* exhibition could have supported a tempting retail offer with many opportunities for different types of visitor to spend money but there are no commercial staff to source the products nor the budget to buy them.

As the Museum is across the road from the Cathedral, its location is excellent but the building has not been well maintained for several years and it now shows signs of neglect. In the middle of our project, asbestos was found from paint flaking off the ceilings so the whole building was closed for investigations.

While a large repair bill is making the Council consider finding alternative premises for both the Library and the Museum, the building is very significant: it has a covenant on its use, and its listed status and need for investment makes another user, such as the prospective University, doubtful. Key stakeholders such as The Woolhope Club and the Hatton Trust are watching the situation closely and will be supportive of moves to re-open and re-vitalise the building.

### 3.5 THE MUSEUMS SERVICE

**3.5.1** Our Brief specified we address “opportunities for the Service to meet the requirements of a contemporary local and visiting audience” (i.e. local visitors and tourists).

The Museums Service had a three phase development plan: starting with acquiring the site in Friars Street, secondly building the collections store and equipping it, with the third phase to be new displays in the Museum on Broad Street. Funding pressures within the Council prevented the Museums Service from completing their development. Sadly the Museum has not changed significantly in that time though the professional staff have maintained their exhibitions programme at an astonishingly high standard.

The Museums Service lost profile as a result of reductions in opening hours, one of the factors which lead to falling visitor numbers. With no marketing budget or officer, they have limited access to publicising themselves. However, the poor standard of the Museum displays and the slightly chaotic entrance hall have also been a contributory factor. Thirdly, there is now increased competition for visitors in both the City and the County, including the Cathedral with its slick marketing and strong appeal of the Mappa Mundi.

**We recommend** that, as it seems unlikely that the Museum & Art Gallery will re-open in the near future, a modest investment could be used to re-display some of the collections on another site. A radical approach could be taken, replacing the old and various display cases with a vibrant and modern, perhaps more lightweight, style of display, more akin to a temporary exhibition or a touring show. This could support taking objects out on the road to new places (in addition to *Museum on the Move*). Pop Up Museums could be sited in shops, community halls, libraries, The Courtyard Centre for the Arts. There would be many locations to use for this idea.



part of Derby Museums’ new natural history gallery  
(© Derby Museums Trust)

Derby Museums has recently completed two new natural history galleries in its Museum & Art Gallery, a similar Victorian city centre building to Broad Street. The two displays were externally funded and cost a total of £120,000. The relevance here is that the design is an example of the approach described above.

A more fluid approach to display could allow the Museums Service to experiment with different styles and content, starting conversations with the public, exploring co-curation and drawing especially younger members of the community into creating content. The recent jumper exhibition on the main staircase by students from the College of Art is an example of the fun end product of something inspired by historic collections.

Learning and Outreach operates not only *Museum on the Move* but other handling sessions with schools, care homes and community groups. From our consultations, we know that these sessions are highly valued users. The new National Curriculum aims to set children on the Curiosity Path, and stimulate their observation and critical faculties, so handling original objects is an ideal method of doing this. There is demand for these services.



Museum on the Move

In view of the problems in Broad Street, the Museum Service urgently needs to find a venue for the centenary exhibition of Brian Hatton next year. Retail lines should be developed for this and the commemoration has many possibilities for projects locally, especially for a joint project between the two Services and other cultural and heritage institutions in the County. It also links closely with the commemorations of the Centenary of the First World War.

HARC has an interesting exhibition space which can showcase work which has been taking place elsewhere. This would also help to cement the closer working relationship between the staff of the two heritage Services.

The Museums Service does have a key function, has a number of partners who wish to work with them on more and on different projects (see section 4) and has a considerable amount to offer the Council in support of their corporate priorities.

Appendix VI contains details of how the Museums Service has contributed to the Council's Corporate Objectives over the past year (and Appendix VII has the contribution of the Archives). This was specified as part of our Brief that we were to "review how the service relates to the corporate plan for the local authority, and its future potential to do so". But in the interests of keeping this wide ranging report as short as possible, this information has reluctantly, as requested, been moved into the appendices.

### 3.5.2 Volunteers

Volunteers are a crucial part of any heritage service. Both the Services already use volunteers especially in collections care. In the Archives, volunteers have helped to ensure the Wills Index was completed (it is now online) and at MRLC volunteers identify specialist collections and repack objects to improve their care. Appendices VI and VII identify where volunteers have been used in more detail and as a result, have contributed to the Council's health and wellbeing agenda.

It would be possible to use volunteers to enliven the Pop Up Museum which could replace some aspects of the closed Museum & Art Gallery on Broad Street, helping to interpret the collections and supplement the skills of the staff. These volunteers could be recruited and trained specifically to interact with visitors and school parties, and a role description could be developed for this work. But in a local authority, consultation with the Unions should take place before this was finally decided upon as volunteers should not replace paid staff who have been made redundant. However, the volunteers could supplement the paid staff and bring new skills and knowledge.

There is a drawback to volunteers which is that they are just that and have no contractual obligation to turn up. It would be impossible to replace all Front-of-house Assistants with volunteers as it would prevent the Council from being able to guarantee opening hours. In addition, volunteers need managing and supervising and their rotas need planning just as much as paid staff. But they can very usefully supplement paid staff by bringing additional skills, enlivening exhibitions and displays, and carrying out specialist, time consuming research.

### 3.6 THE ARCHIVES SERVICE

As outlined above, our Brief specified we address “opportunities for the Service to meet the requirements of a contemporary local and visiting audience” (i.e. local visitors and tourists). Just as the Museum & Art Gallery’s displays need updating but its raw material (the collections) is excellent, so with HARC: the building and facilities are superb, the staff knowledgeable and helpful but digitisation is behind many other county archives (as outlined in section 3.1). So the market for HARC could be as large as for any county archive.

During our consultation (see section 4 below) the stakeholders and users of both Services put forward ideas to earn additional income. Many of these focused on projects working with other organisations and collections. Heritage tourism is a lucrative market and given that both Services are open at the weekends, attracting tourists to HARC would be possible, if working in partnership with tourist organisations. As tourism is a significant industry for Herefordshire, heritage attractions which provide activities will be important. But these type of projects are often long in their gestation so will only be useful in the longer term.



HARC’s main entrance  
with the public block on the right

Economic impact of the Archive Service is considerable as it attracts people to Herefordshire from all over the country and internationally. The most recent survey of visitors to the Archives showed that 14% of visitors paid for overnight accommodation, 49% ate out locally and 72% made use of local shops.

This is one example of how the Archives Service contributes to the Council’s Corporate Plan, in particular to the economic regeneration of the County and supporting Health & Wellbeing aims.

There is a summary of how the Archives have contributed to the Corporate Plan in the last year in Appendix VII. This was specified as part of our Brief that we were to “review how the service relates to the corporate plan for the local authority, and its future potential to do so”.

## **4. CONSULTATION & PARTNERSHIPS**

### **4.1 CONSULTATION**

We have carried out considerable consultation with a wide variety of individuals and organisations. Indeed such was the overwhelming public interest that we carried out more than we had originally envisaged and asked for a public meeting to capture ideas for the future of the Services. This meeting was held at MRLC on 16<sup>th</sup> October and was attended by over 130 people. The MP for Hereford graciously agreed to chair it for us. Four elected Members of Herefordshire Council also attended and spoke appreciatively of the two Services.

We stressed in all our surgery sessions and interviews that we were focusing on positives and the potential roles of the Services in the future, and did not want to hear complaints about the need for the Council to save money. The majority of the contributors responded well to this.

Everyone who talked to us or wrote to us valued and used the Services (either one of them or sometimes both). Although contributions to consultations such as these are necessarily from a self-selecting audience, all expressed a warm and appreciative regard for both Archives and Museums.

All members of staff in both Museums and Archive Services were interviewed and many volunteers. Also we met the HER staff and the Archaeologists. Hilary spoke at a meeting of The Friends of the Record Office and the Marches Network Museum Officers' Meeting.

A complete list of all who contributed to our consultations is in Appendix IX.

Ideas ranged from the tried and tested such as retail trading, digitisation of the Archives and additional room hire through an expanded Learning and Outreach service to working with partners such as Heritage Tourism operators where historic sites can be visited alongside lectures and sessions handling relevant collections. All ideas fed into section 6, below, on income generation but almost all of these are medium or longer term solutions which require investment, additional skills and/or external partners to make them happen. There are no quick fixes and if any of these ideas were being considered, the impact on the existing services would need assessing.

### **4.2 PARTNERSHIPS**

Local partners with whom both Services work include the Cathedral, the Friends of the Record Office and the recently launched Museum Supporters' Group, the College of Art and The Courtyard Theatre. All spoke warmly of the expertise of the officers in both Services but their lack of commercial drive was also remarked upon.

The Archives & Collections Manager was a key member of the Magna Carta working group prior to the 800<sup>th</sup> Anniversary commemorations in June. The Magna Carta exhibition in the Mappa Mundi building was a major attraction for the City last summer. The Cathedral is expanding its exhibitions programme to aim at an audience not only interested in history and religion but art as well, so working with the art collections of the Museums Service is a logical step for both parties. If both Services are looking to expand their retail operations, then the Cathedral staff would be supportive and helpful and the Marketing Director is very eager to work more closely, offering strategic marketing advice.

The two Friends groups could both be important in the future, even more than they are now. The Friends of the Record Office have already raised money for equipment at HARC and are willing to continue doing so. TNA's report *In a Spin*<sup>18</sup> discusses the role of Friends groups as many archives now need active fundraisers. It refers to some rejuvenated Friends who now carry out substantial fundraising and lobbying, especially where the Archive has left the local authority. This is the same for museums also. However, a traditional Friends, existing as a cultural and social group, can often not want to develop their lobbying voice.

However, the new Museum Support Group was founded as just that and will become active. It could make public awareness and fundraising a priority though we were surprised they had not been more active and vocal during our time in Herefordshire.

The Museums Service is about to start work on the *Making Waves* project with the College of Art and CraftSpace, working with immigrant families and those moving into the new housing estates being built. This project will produce an exhibition and events which will tour community spaces in Herefordshire.

The Courtyard recently applied (unsuccessfully) to ACE for a lottery grant to extend the theatre. One of the ideas in the bid is a digital gallery which could be an outstation of the Museums Service. If Broad Street does not open quickly then this could be one of the sites to be considered for a Pop Up Museum (see 3.5 above). Literacy and storytelling are key parts of the National Curriculum which both could tap into, to their mutual benefit.

The Business Improvement District may offer some avenues of support for the Museums Service. Hereford City Council is a potential partner particularly as they recently announced that they are opening a new Tourist Office in the City this coming season. While they are unlikely to be able to afford to run the Museums Service, they may be interested in supporting particular projects. Given the potential importance for the tourism offer, especially of the Museum & Art Gallery, outlining two or three ideas for discussion with them would be worthwhile, for example they may be able to help with the Brian Hatton exhibition. A venue for this is now an urgent priority

These are just some of the ideas from past, present and future partners of both Museums and Archives Services. Our conclusion is that all existing and potential partners think both Services have potential but are concerned about their lack of capacity which impacts on their ability to work jointly. But they all feel that both Services have a great deal to offer Herefordshire through future joint projects.

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<sup>18</sup> see Appendix V for this report



## **5. SUMMARY of LEGAL ADVICE on HLF CONTRACT**

**5.1** As specified in our Brief, we took specialist legal advice on Herefordshire Council's contract with the Heritage Lottery Fund (HLF) to assess if it would need to repay the Grant, or part of it, to HLF if it sold the Property or if it stopped being a publically accessible museum collections store. This is a summary of the Advice Note from Rosie Parr of Lancaster Parr which is in full in Appendix VIII.

In January 2006, the Council entered into a contract with HLF in return for their grant of £1,223,000 to create and fit out the MRLC. In return for the Grant, the Council entered into the Contract by which it agreed to observe certain conditions attaching to the grant award for a period of 25 years from the date of the Contract (9<sup>th</sup> January 2006).

In 2006, HLF did not require the Council to give a first charge on the Property as security for the Council's performance of these obligations (which the HLF would do now as a standard term of most of its grant awards of this size.)

The conclusion of the Advice is that the Council cannot sell or let the Property without the prior approval of the HLF, as to do so would be a breach of contract triggering HLF's right to demand repayment of all or part of the Grant.

### **5.2 CONDITIONS OF THE CONTRACT**

The Contract imposes the following obligations on the Council which relate to the Council's consideration of the sale or closure of the Property:

Clauses 3 and 6 – the Council can only use the Property for the 'Approved Usage' and it must also carry out the Approved Purposes in accordance with best practice. The meaning of these terms relate to the Property's use as a publicly accessible museum resource and learning centre. Any change of use by the Council without HLF consent (even without a sale or closure of the Property) or failure to keep to the Approved Purposes would be a breach of the Contract.

Clause 14 – the Council must continue to own the Property and keep full control over what happens to it. The Council may not sell, let or otherwise part with it or any interest in it, or give any rights over it to anyone else (or take any steps to do so) without the prior approval of HLF.

Clause 14 goes on to state that if HLF gives its approval to a sale or letting of the Property it may be on the following terms:

- that the Council pays a share of the net proceeds of selling or letting the Property, such sum to be calculated by the HLF in line with the Monitoring Documents
- that the Property is sold at its full market value
- that the sale or letting is subject to any other terms that HLF may wish to impose as it thinks fit.

Clauses 16 and 17 require the Council to maintain the Property in good repair and condition and insure it to the standard specified – so it is not an option for the Council to allow this Property to fall into a state of disrepair, as to do so would be a breach of the Contract.

Clause 29 sets out the HLF's remedy for any breach of contract - it stipulates that the Council must repay to the HLF any grant monies that it has paid to the Council (or any smaller amounts the HLF ask

the Council to repay) for the reasons listed in this clause 29, which include in sub-clause (d) any failure by the Council to keep any of the terms of this Contract.

Clause 30 states that if the Council has to repay the Grant as a result of, inter alia, a change of ownership of all or part of the Property, a change of the Approved Purposes or Approved Usage, or if the Council has merged with or transferred its functions to another organisation, then any new organisation or owner must within 90 days of this breach of the Contract, send the HLF a new copy of the Grant Application for consideration. This provision would apply, for example, on a transfer of the museum service to a charity, or other form of not-for-profit organisation.

Clause 41 confirms that the conditions of this Contract will last for 25 years, i.e. until 5<sup>th</sup> January 2031.

### **5.3 FUTURE HLF RELATIONSHIPS**

There is however, another dimension to this as, if Herefordshire Council did close or prevent public access to the MRLC, and even if it repaid the HLF grant, then this breakdown in the Council's relationship could affect any future applications to HLF from Herefordshire. It would not only affect future bids by the Council itself but could affect applications from any organisation in the County. So the impact could wide, deep and long lasting.

HLF may view any contact with Herefordshire Council with a degree of scepticism following their experience with the grant offered for the new displays in the Heritage Centre in Ross-on-Wye in 2014. As the Council was transferring the Heritage Centre to the Town Council of Ross, the HLF grant was repaid.

So **we recommend** that the Council must maintain a positive relationship with HLF.

## 6. FINANCIAL ASSESSMENTS

### 6.1 CURRENT COSTS OF THE SERVICES

Herefordshire Council has provided us with considerable financial detail for the Museum and Archive Services, from which we have extracted the information used in this report. The table below summarises the major areas of operating costs of the Museum and Archive Services covering the years 2012/13, 2013/14, 2014/15 and the budget for the current year. (The Actuals for the three years are an amalgamation of the costs and income for Heritage Management, Hereford Museum, Collections/Curatorial, Commercial Access to Exhibitions and Events, The Old House Museum, Museum/Resource Centre, Heritage Education Services and Archive Services. In the 2015/16 budget figures Heritage Education and Archive Services are shown separately.)

<b>Museum &amp; Archive Service</b>								
	<b>Actuals</b>			<b>Budget</b>				
	<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>				
	<b>Total</b>	<b>Total</b>	<b>Total</b>					
	<b>Actuals</b>			<b>Budgets</b>				
	<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>	<b>15/16</b>	<b>15/16</b>	<b>15/16</b>	<b>15/16</b>
1 Employees	622,813	578,309	487,631	212,320	5,070	372,533		589,923
2 Premises-Related Expenditure								
3 Transport-Related Expenditure	6,937	1,601	896	1,328	50	800		2,178
4 Supplies & Services	56,758	61,622	36,563	-10,725	1,389	26,903		17,567
5 Third Party Payments	0	0	0	0	0	300		300
9 <i>Income</i>	-38,378	-59,207	-23,422	-14,200	-1,500	-7,017		-22,717
<b>Total Direct Operating Cost</b>	<b>648,130</b>	<b>582,325</b>	<b>501,668</b>	<b>188,723</b>	<b>5,009</b>	<b>393,904</b>		<b>587,636</b>

Over the three years up to 2014/15, reductions have been made in employee costs. These savings have been made within the Museums Service by redundancies, while employee costs within the Archives Service have remained broadly the same. Discounting Support Services and Premises-related expenditure (not within the control of either Service), Employee costs (£590k for 2015/16) account for virtually all the costs within the control of Museums and Archives Services. However, as outlined in the introduction, it was agreed at our presentation to senior officers that we could consider premises related expenditure. Consequently, property costs for the sites totals £347,000.

The income and saving profile is based on: £100k being saved in the financial year 2017/18, £150k from April 2018 then £250k from April 2019.

Income levels have declined in this three year period by some 40%, from a high of £59k in 2013/14 to £23k in 2014/15. This is through continuing to limit the opening hours at the Museums, the decline in visitor numbers at the Museum & Art Gallery, the closure of the Archive while staff packed up and its transfer to HARC earlier in the current year, and limited staff resources to market and manage events and lettings.

The 2015/16 budget figures show a substantial increase in Employee costs compared to 2014/15, an increase within Heritage Management of £65k and Archive Services of £32k. There are also some 'non-repeatable' costs for subsequent years which we believe relate to the establishment of the Archive Service in the new HARC building. These budgets were also prepared before the closure of the Museum in the Broad Street building, so do not take account of any financial implications associated with that. Overall, any variances with earlier years do not materially affect our conclusions in the following sections.

## 6.2 OPPORTUNITIES FOR COST SAVINGS

With controllable costs within the Museums and Archives Service being dominated by Employee costs, there is no other option to achieving the required saving of £500k, other than to remove Employee costs by that amount, resulting in redundancies of staff and the ultimate closure of the Services.

Needless to say, the situation is much more complex than this. A number of potentially expensive issues would arise, the main ones being:

- ◆ the requirement to repay at least part (or possibly all) of the HLF grant which supported the creation of the MRLC (see section 5 above for the legal assessment of this). The exact amount may depend upon the date when it closed and ceased to be a publicly accessible museum store
- ◆ the continuing need to care for the Museum collections, which would involve the time of skilled, knowledgeable staff (detailed in section 6.4 below)
- ◆ a similar need (and in part statutory requirement) to preserve the Archive material now housed within HARC, including the Diocesan archives which the County cares for without charge under the terms of the Parish Records & Registers Measure, and to continue to provide access to such records
- ◆ implications (often highly complex) of objects donated to the Museums and Archives Services by organisations and individuals, who may seek their return if they became concerned about their long-term care and/or the fact that they were no longer accessible if the facilities were permanently closed.

All of the above need detailed investigation to establish their impact but a brief assessment is in section 6.4 below.

Support Services and Premises-related expenditure are understood to remain centrally with the Council, unless buildings used by Museums and Archives are sold or found alternative uses (one of which for the Museum and Library is thought to be the planned Hereford University). However, given the nature and listed status of the building, most prospective users could be deterred as it requires substantial investment in its structure and services, even aside from the current problems. It also has a covenant on it which stakeholders may challenge if the Council tried to get it overturned.

### **6.3 REVENUE SAVINGS & POTENTIAL INCOME**

**6.3.1** As part of the consultation for this project, the staff of both Services were asked for their suggestions for opportunities for income generation. A great many suggestions were made at all levels. Whilst it has not been possible to evaluate in any detail the financial potential of some of these, the ones which seem likely to make the most significant contribution to income quickly and easily are listed below.

#### **6.3.2 Revenue savings**

##### **Short term savings: Museum & Art Gallery, Broad Street**

The Museum & Art Gallery is currently closed and we believe that as the building requires substantial repairs, it is unlikely that the Council will be able to re-open it in the short term. We have had various discussions about the current quality level of the Museum's displays and its role in the City's tourism offer. The Museum is the only portrayal of Herefordshire's history in the City, apart from The Old House. When compared to the draw and quality of the Cathedral and Mappa Mundi, we conclude that the Museum & Art Gallery in Broad Street is not a material part of the City's tourism product, though its location is ideal for its role. In addition it seems unlikely that there would be funds to make any significant improvement in the quality of its displays in the short term without external investment, even if the building was repaired. (See 3.5 for more on this idea.)

Consequently we consider closing the Museum in the short term could offer an opportunity for short term savings for the Services. We believe this could save in the region of £70k in employee costs (depending on how the Front-of-House are re-deployed) and possibly in excess of £20,000 in Premises-related expenditure and Supplies & Services (though there would be a small loss of retail income). An early decision could ensure the savings are achieved as soon as possible and that no further resources are devoted to planning for the re-opening of the Museum in the short term. There could be additional savings resulting from the Museum's closure from central support re-charges. (All savings figures quoted from redundancies do not include redundancy costs.)

This closure should not prevent the Service from developing a programme of Pop Up Museum displays in the City and round the County, as outlined in section 3.5. These could be created by the curatorial staff.

The employee savings could only come from redundancies in the Front-of-House (FoH) staff who would normally be on duty when the Museum was open. However, The Old House still requires staffing during opening hours, these staff are an energetic resource for the Museums Service (see 3.5); in addition, staff should be retained for managing the Pop Up Museum displays but they could be supplemented by volunteers for busy periods such as school holidays.

We imagine that there might not be savings on business rates even though the building was closed to the public. **We recommend** that the Council's own accountants verify these anticipated savings from the closure of the Museum & Art Gallery.

### Longer Term Savings

In order to achieve substantial savings beyond those that can be achieved by the closure of the Museum & Art Gallery, one or more of the following should be considered and evaluated in detail for implementation in 2018/19:

- reduction of services at HARC achieved through restricted opening times/public access enabling a reduction in staff numbers (though there would be redundancy costs here);
- use of space at HARC for other Council services. (Transfer of the Modern Records Unit has been discussed but is now understood not to achieve any real savings and indeed may cause additional costs);
- amalgamation of services with other local authorities or joint provision; in particular making use of the state-of-the-art facilities at HARC: this is recommended in section 7.2;
- closure of MRLC at Friars Street: this however has the immediate cost of HLF requiring repayment of all or some of their capital grant and the continuing need to look after, or dispose of, the Museum Collections so this is **not recommended**.

### 6.3.3 Development of additional income

In section 7.2, we recommend that Commercial and Marketing roles should be created for the Services. These would have to be experienced and dynamic individuals, alongside the current staff who are active in their support. This is expected to generate a net contribution to the Services over time, working with the staff to develop the many revenue generating ideas that have been put forward as part of our consultations. Such income creation could not be expected to be instantaneous but we believe that if a number of the income generating ideas that could begin in 2016/17, these should cover the costs in the first year, though this could not be guaranteed and would be dependent on early establishment of the opportunities in the coming year. (More detail on these posts is in section 7.2 below.)

These ideas include:

- **introduction of retail sales** at The Old House with a theme of *Made in Herefordshire*;
- **increased lettings** of meeting/event space at HARC and Friars Street and **release of office space** to other Council departments (though these have staffing implications as outlined in section 3): with the recent redundancies at MRLC there is some office space available. HARC does have small meeting rooms which could be rented out and conservation bench space (see below). However, there is an administrative aspect to having external people in a high security building, especially if they receive visitors, so some element of managing the tenants should be taken into account in assessing if this income is worthwhile.

Encouraging rental of the learning rooms would also cause increased administration, reception and housekeeping at HARC and MRLC (see also 3.1 and 3.2). If these happened, we estimate the additional income may be **approximately £5,000** per year but with additional staff time required to manage it.

- **car park charging at HARC:** if these are introduced, some element of policing should be allowed for by the HARC staff, unless the Council's own parking services are able to travel out to Rotherwas to do so. Parking machines also need emptying and repairing so there is a cost to doing this. The Council operates on the basis of parking charges income not being allocated to the service but to Parking Services centrally so there is no incentive for HARC if it gives them more work, complaints from their users and no income benefit. We estimate an **additional £5,000** per year could be earned (based on projected user figures) but this would come at a cost. More importantly than this, the Council should be conscious of the potential public backlash against the charge; just after moving the Archives from a City Centre site to one on the outskirts of the City, the public could reasonably expect parking to be free on such a site, as it is now. Although HARC is on two bus routes and the cycle path, the majority of users now arrive by car.
- **addition of solar panels to HARC roof:** this requires initial investment though grants are available. Although it would take many years to recoup the investment, it could reduce even further the running costs of the HARC building, even though it is designed as a low revenue cost structure;
- **charges for expanded learning & outreach service:** during the consultations we spoke to several teachers and lecturers who emphasised the importance of access to original objects for both inspiration and research. The primary schools of the City would certainly pay for additional educational visits of either an expanded *Museum on the Move* and/or an educator with original objects to handle. It is more and more expensive and difficult for schools in particular to get out to visit museums and sites, so having the educators to come to them gives very good value for money. In time the service could be built up to include the Archives also. Using the freelance educators who are currently used to deliver some of the learning service should make it possible to not only cover all the costs but also make a surplus; we estimate an **additional £6,000** could be made per year.
- **development of the Brian Hatton Centenary exhibition:** as outlined in this report, the Museums Service urgently needs a venue for this important exhibition from the spring of 2016. Developing retail lines for both the main exhibition and for any Pop Up touring shows linked to it through the First World War centenary should be an urgent priority for the Museums Service staff and the new Commercial Manager.

### **Longer term income generation**

The Commercial and Marketing roles should develop a comprehensive business plan in conjunction with both Services teams to fully exploit the wider range of commercial opportunities that have been identified, including:

- commercial conservation and collections advice services;
- renting of bench space at HARC to self employed conservators;
- paying events/ craft fairs (but a central venue is needed);
- commercial sponsorship for events/exhibitions;
- promote licensing of images (photographs, paintings, maps) for commercial use, possibly via an agency such as the Bridgeman Art Library
- and digitisation of documents and photographs to complement the above.

Many of these ideas have staffing implications however, such as the organisation of events fairs, and increased sponsorship would require the commercial posts which we recommend above. Many of these also require marketing expertise to make them earn significant income. It would be possible to earn income from carrying out commercial conservation on documents and maps, but this would need to be a policy decision as, if the conservators are carrying this work, they are not working on the Council's own collections.

The ideas for The Old House would need capital investment to create the shop and visitor centre so again, the immediate return would be limited. In addition, sourcing the products for sale would need a Commercial Manager who has buying skills and knowledge. If a Commercial Manager was appointed, they could also develop the retail offer for exhibitions and events.

Essex County Archives appointed a Marketing Manager who has recently launched a new website which includes the ability to purchase copies of documents and maps. There is also a *YouTube* video of the Senior Conservator talking about cleaning and repairing archives and giving storage advice.

Whilst these ideas could increase income for the Service, we recommend that they require careful evaluation to determine the staff time and resources involved. This is the only way to ensure they are capable of making a material net contribution to income, without diverting staff time from other more urgent activities, so policy decisions will be required. Some of them will entail additional staff costs where the skills do not exist at present.

Overall, even if all these opportunities were implemented, the contribution to meeting the required saving of £100k in 2017/18 (let alone future years) would be relatively limited as most require investment and new skills. There are no quick fixes.

In the medium to longer term however, some of them could be developed (with the right skills) to earn a contribution for the two Services, but most of them require investment, detailed assessment as indicated above, and/or external partners to make them happen. In addition, if any of these ideas were being considered, the impact on the existing services would need assessing. With the right skills, the income level over time could make a significant contribution to the cost of the Services but they will always need an element of subsidy from the Council.



## 6.4 THE COST OF CLOSURE

### 6.4.1 The impact of closure

As outlined above in section 6.1, the only way the Council can make the savings it has already identified from these two Services, is to make staff redundant unless it includes premises and central service costs within the savings targets. Whatever additional income can be earned, it will not be sufficient to cover all of the current staffing costs. In both Services, this would have an immediate material effect on the levels of service and opening hours. Assuming the Museum & Art Gallery remains closed (see 6.3.2 above), The Old House would have to close to the public too, HARC's search room would have to close and curatorial staff for both Services would be below the bare minimum (the Museums Service's staffing is already much lower than it should be for such large and significant collections).

However, as there are so many costs involved with closure – which this section outlines – the savings targets cannot be met wholly even with full closure. The costs include such as the disposal of the collections and responding to Freedom of Information enquiries. There are several different types of closure and this section considers the implications of these.

The options considered are:

- **maintain public access** by appointment only, retain collections and answer all enquiries but all buildings close to the public without an appointment;
- **mothballing:** retain all collections and some staff to monitor and care for them; no public access, donations or enquiries; both Museums closed;
- **dispose of the collections** the Council is not legally obliged to retain and, in the meantime, close to all public access, donations or enquiries; both Museums closed.

All salary costs quoted as savings are for the next financial year (2016/17) and include on- costs but not redundancy. All options have an element of cost for insurance within them which remains the same in each option as the collections will need insuring wherever they are stored and, where public access will be maintained, they will need insuring with public liability cover. So insurance and premises costs, initially excluded from our Brief, need including alongside the controllable costs of the two Services.

An active pest monitoring programme would still be needed for MRLC for all the options and this would have a modest cost which would remain the same in any option; the main pests are such as moth, museum beetle, and ingress by small mammals. This would need to be administered by at least one member of professional staff, full time or two part time. As HARC is a new building, it is likely to be less penetrable by small mammals and insect life providing it is maintained but the environmental data system must be monitored and collections examined or the Council's investment would be wasted.

In summary, we feel sure, having seen the public's strength of feeling for both Services that if any of these options was being pursued, the Council would face legal challenges. Although The National Archives has not directly contributed to our consultations - they have reserved their position - if they did not feel the Council was making decisions in the best interests of the Archive collections and public access to them, they would intervene.

**We do not recommend any of these options** for the reasons given throughout this section.

### 6.4.2 The implications of closure

There are several major drawbacks to these options. It is not an option for either Service to simply turn the keys in the locks and walk away.

Firstly, the Council has a **statutory obligation** to preserve its records and the other records of public services. Under the Local Government Act 1972, the Council is obliged to make *proper arrangements* for the care of, and access to, its records (see 2.3 above and Appendix III for more on this).

Secondly, the Council has an obligation to its **council tax payers** that, having invested £8m in the new HARC, it should ensure this money delivers public benefit. In addition, the Council borrowed all of this funding so it has a debt to repay. The reputational damage to the Council if HARC was to close or severely curtail its hours would be difficult to calculate but it would be safe to assume that the fallout would be substantial both locally and nationally.

Thirdly, as HARC has **Place of Deposit** status (for public records via TNA), the Archive is required to remain alive and active. Under the terms of The Parochial Records and Register Measure (PRRM), Herefordshire Archives are designated as the Diocesan Record Office for the Diocese of Hereford, so hold the Diocesan records and also the Church of England registers. These records do not belong to the Council but are cared for by the Council's Archivists. Public access must be maintained to all these records.

Fourthly, **access** must be maintained to the collections. Any Archive records held (both those owned by the Council, but also those on loan) are liable to Freedom of Information (FoI) enquiries. FoI is not only about modern records. FoI requests cost an average of £293 per request in 2010<sup>19</sup>. All Archive services receives regular FoI requests most of which are dealt with as usual business.

If the HARC building was closed to the public or opening hours severely restricted, many more enquiries would be official FoI, therefore would be more costly. In researching the costs for a new Archive building in 2012, it was estimated that it would cost £300,000 a year to answer all standard Archive Service requests as FoI enquiries<sup>20</sup>. So restricting the availability of the Archive collections to save money would be counter-productive.

Likewise, the Museums Service has an obligation to continue receiving collections as it is a place of deposit for archaeological finds (designated by Historic England<sup>21</sup>) to receive and care for all finds from archaeological investigations (not just excavations). As referred to in 3.2, Hereford is one of 5 English cities designated as an Area of Archaeological Importance under the Ancient Monuments and Archaeological Areas Act 1979, so its archaeological importance is recognised in statute.

The archive of archaeological finds and reports is also needed by the HER which informs all planning applications on which the Council must rule. Their advice can only be as good as their records show so to ensure up to date information is used, it is vital that archaeological holdings are accessible.

The other services which are based in HARC also need access to the building during working hours and all of them receive visitors for research, especially the HER.

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<sup>19</sup> [Cost of Freedom of Information](#), Anna Colquhoun, UCL, December 2010

<sup>20</sup> Briefing note to Cabinet on HARC, 14<sup>th</sup> August 2012

<sup>21</sup> the new name since April this year for English Heritage's statutory protection and designation arm

Under the terms of Museums Accreditation, the Museums Service must manage its collections and maintain public access to them as specified in the Museums Association's *Code of Ethics*<sup>22</sup>, a cornerstone of Accreditation. Disposal of any object from a museum's collection is possible in certain circumstances but there is a strict process to be undertaken in order to do so and this must be followed or a museum could lose their Accreditation<sup>23</sup>.

### 6.4.3 Options

#### **Closure Option 1: Maintain public access by appointment**

##### **retain all collections and maintain public access by appointment only and answer all enquiries; close two museums and reduce HARC hours**

If the Museums Service's collections are retained on site at MRLC, especially if enquirers and researchers could still have access, this may remove the need for HLF to claw back its grant. But given the limited nature of the access, there may still be some re-payment demanded.

In order to manage the collections and the users, Curatorial members of staff would need to be retained. No one curator can have considerable knowledge of the collections given their depth, range and significance however. The current complement of 5 part time members of curatorial staff is the minimum we believe to be able to cover basic collections management, supervise volunteers and researchers and answer enquiries. In addition, researchers also require assistance and supervision. Enquiries demand considerable time to respond.

It would not be possible to run a Museums Service with fewer professional curatorial staff than now - apart from the Front-of-house (FoH) staff - as the Service is operating on what we believe is below an adequate minimum level of professional staff. The staff between them cover archaeology, fine and decorative art, social history and collections management & documentation. So this option is possible but no further savings could be found from the Employee costs in the Museums Service except for the FoH staff. Without FoH staff, the Museums themselves (the Museum & Art Gallery and The Old House) would have to close.

Both Museum buildings would need emptying of collections if they closed to the public but there is only limited space to store the collections at MRLC as space must be retained for archaeology in the future (see 3.2 for more on this).

The Learning staff of the Museums Service could still maintain their Outreach service but developing their offer is dependent upon them working with the curators who have knowledge of the collections. There would not be any physical Museum for educational groups to visit which could restrict future development.

As the public would be using HARC and MRLC, even though they were there by appointment, there may, on Health & Safety grounds, need to be an additional member of staff at MRLC in addition to one of the curators at any one time. As the public and researchers would be using MRLC by appointment, it would be possible to manage how many arrived on any given day and ensure that adequate staffing was provided.

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<sup>22</sup> [www.museumsassociation.org](http://www.museumsassociation.org)

<sup>23</sup> In 2014, Northampton Borough Council Museums Service lost their Accreditation for disposing of an Egyptian statue unethically and it has since been turned down by HLF for funding<sup>2</sup>

At HARC even if opening hours were reduced, all researchers would have to book ahead and this should be possible by adapting the HARC website. However, many archives still maintain *walk up* access and it would be an unpopular move: as soon as the Council creates more space for more researchers to work, access is restricted by an appointments-only system. There would need to be three members of staff on duty in the Search Room at any one time plus a receptionist for the staff and visitors of the other services within the building. HARC would have to remain available to them and to their visitors even if closed to the archive-researching public.

The savings below include all the FoH staff of the Museums Service and for HARC are based on a third fewer archivists and search room assistants so the available hours for the public to make appointments would have to be cut commensurately. All the current part-time researchers are retained as they mostly undertake research commissions from the public who cannot do the research themselves.

#### **Cost savings Option 1:**

Museums Service - FoH staff	£28,973	(incl on-costs but not redundancy)
HARC: 1/3 fewer archivists	£42,550	(incl on-costs but not redundancy)
HARC: 1/3 fewer search room staff	<u>£33,544</u>	(incl on-costs but not redundancy)
<b>Total savings Option 1</b>	<b><u>£105,067</u></b>	

#### **Closure Option 2: Mothballing**

**retain all collections and some staff to monitor and care for them; no public access, donations or enquiries; FoI only close museum sites & reduce staff at HARC**

As the stores at MRLC are new, are excellent in terms of environment, it would be more cost effective to retain these collections on site. This would not remove the need for HLF to claw back its grant as the public would be excluded from research access.

Both Museum buildings would need emptying of collections if they closed to the public but there is only limited space to store the collections at MRLC as space must be retained for

archaeology in the future (see 3.2 for more on this). If the two public museums were closed then the FoH staff would need to be made redundant, as in Option 1 above.

In order to monitor and care for the Museum collections, curatorial members of staff would need to be retained. In addition, research enquiries would need to be fielded, either to other museum collections or simply returned with an explanation of the closure of the Service. The figures below suggest half of the current curatorial staff be retained.

The Learning staff of the Museums Service could still maintain their Outreach service but developing their offer is dependent upon the education officers working with the curators who have knowledge of the collections and there may only be one or two of them. There would not be any physical museum for educational groups to visit which could restrict future development.

If the Archives Service lost staff to the extent of the savings already identified, it would have to reduce the hours when HARC was open for the services who are based there and owners of documents on deposit. They would also need to give access to the records owned by the Council to officers, to the Police and to such as Coroners and court officials. The Archivist staff's time would be more than taken

up doing not only this but also running the building, monitoring the collections and returning enquiries with an explanation of why the Service was closed or severely reduced.

The demands on the Archive staff would be considerable as HARC must remain open even on reduced hours. While initially we estimated that half of the current search room staff could be retained for this option, so achieving a saving of £50,000, as all public enquiries would have to be treated as FoI requests (as this is the only method of gaining access to the information in the documents). In assessing the business case for the new Archive in 2012, as outlined in 6.4.2 above, it was estimated that the cost of dealing with all Archive enquiries as FoI would be £300,000. This is approximately the same figure as the whole of the current staff at HARC now so if staff were made redundant and no public enquiries were possible, there could not be any savings from the current cost of employing Archive staff. These costs do not include any input from the Legal officers of the Council. Consequently there can be no staffing savings from HARC for this option because of FoI.

Both Services would need to address the donors and depositors who requested the return of their collections once public access is no longer available. This has recently happened to the Archives as siblings requested the return of documents on long term loan. They could prove they were the legal owners and so it was a straightforward request. However, it took about six months to complete, the Archivists working with the Council's Legal Services. These residual costs would occur more regularly if the Council restricts public access to HARC.

However, most cases would be less straightforward than this one; in many instances, it is more difficult to establish ownership as the heir(s) of the original depositor. So the legal work could be considerable in many cases.

#### **Cost savings Option 2:**

Museums Service - FoH staff	£28,973	(incl on-costs but not redundancy) Museums
Service: ½ curatorial staff	<u>£67,849</u>	(incl on-costs but not redundancy) <b>Total</b>
<b><u>savings Option 2</u></b>	<b><u>£96,822</u></b>	

These savings do **not** include any re-payment of the HLF capital grant for MRLC which would be expected under the terms of their contract with the Council.

### **Closure Option 3: Disposal**

#### **dispose of the collections the Council is not legally obliged to retain and, in the meantime, close to all public access, donations or enquiries**

This is Option 2 above plus disposal of all the Museum Service's collections and those archives which HARC is not obliged to retain and which the Council owns.

If the Council wish to sell the MRLC, firstly the collections would have to be disposed of and the process for doing this, as outlined above, is lengthy but not impossible. It is not possible for us to estimate how long this process might take as the collections are numerous and complex. This would certainly need further experienced curatorial staff to carry it out and would not therefore save any of the Council's Employee costs for many years so would lead to additional expenditure. Also, this would ultimately lead to repaying HLF's grant (see section 5 above), and other past grants for the purchase and conservation of objects would need to be assessed and discussions with the grant-giving bodies would need to take place and grants probably paid back.

If six full time experienced and knowledgeable curators were working with administrative support on the disposal, it may be possible to clear the MRLC in ten years. But we stress that this is an estimate.

Nor are there Archivist staff savings to be identified (as outlined in Option 2 above) as otherwise, all enquiries would become FoI requests and the costs of answering them would equal the current cost of the Archive staff. Also a similar time estimate would apply to Archives for disposal, with similar staffing levels (6 FTE's) but one or two could be Archive Assistants in support of the Archivists. This would also be an additional expenditure on salaries. It would not be possible to dispose of all collections, as outlined in 2.3 and Appendix III.

The only savings identified in this Option are the salaries of the FoH staff from the Museums Service. The Museum posts could be made redundant as the two Museums would not be open to the public.

**Cost savings Option 3:**

Museums Service - FoH staff	<b>£28,973</b>	(incl on-costs but not redundancy)
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<b><u>Total savings Option 3</u></b>	<b><u>£28,973</u></b>
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**NB:** There are considerable additional costs (see next page) and the repayment of the HLF capital grant.

**Additional staffing costs required for Option 3:**

Museums Service:

costs of additional curatorial staff	<b>£62,000</b>	(incl on-costs)	HARC:
additional Archivists	<b><u>£152,811</u></b>	(incl on-costs)	<b><u>Total</u></b>
<b><u>additional costs Option 3</u></b>	<b><u>£214,811</u></b>		

In addition, there would be the re-payment of the HLF capital grant.

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There appears to be no advantages to the Council for any of these closure options as they all have significant drawbacks and some of them will cost the Council more than they are looking to save or are costing now. In addition, the reputational cost would be considerable if any option was pursued and, in dismantling the Services, the Council would lose their heritage and a significant contributor to the tourism and learning economy. There is a risk that HLF may require re-payment of their capital grant for all of these Options, and they would definitely require it to be re-paid for Options 2 and 3.

We do not recommend any of these options.

## 7. FUTURE PURPOSE & DIRECTION

### 7.1 OPTIONS FOR FUTURE MANAGEMENT OF SERVICES

Our Brief asked us to recommend a future delivery model for the Services and this we have considered. To become a successful independent, cultural organisation, the two Services would need more critical mass to be able to survive and thrive. They are too small on their own.

In order to be ready for major change, governance or otherwise, an organisation needs to be reasonably fit, have strong leadership and some green shoots of resilience. If not, the change will expose its weaknesses and this can result in projects not delivering. The Herefordshire staff lack both capacity and skills for being more entrepreneurial and have limited commercial experience of running businesses, creating and developing catering, retail and other commercial operations. Their leadership is based on professional collections care and access.

The Museums Service is significantly under-staffed and we are full of admiration for what the staff have achieved in recent years. But they have no spare capacity to cope with the demands that earning additional income and being more entrepreneurial could make upon them.

We have been very impressed at what the Archive Service has achieved with HARC, but now the building is complete, the real work should just be starting, making this building work for the Council and developing the Service. But there has never been a marketing plan (nor budget) for HARC.

Changing the governance of the Services will not help to save money (though potential savings on rates in the first year may give an attractive glow to the idea in the short term). Indeed it would cost to set up a new organisation and to establish it.

What both Services need is

- regrouping, a pause from coping with savings demands and moving
- re-focusing on priorities which will support the Council's main corporate objectives and
- investment to save, with new skills, which could launch an income drive.

We are unable to recommend an immediate change of governance for the Museums and Archives Services. As stated in section 6, there is no scope for making savings from the current revenue budgets without making staff redundant and having a significant impact on opening hours and direct services.

However, irrespective of whether additional savings are made as outlined in section 6, **we recommend** three steps the Council should take to ensure the future of Herefordshire's Heritage Services:

- create a Development Trust
- create commercial posts
- explore heritage partnerships

## 7.2 THREE STEPS TO THE FUTURE

### 7.2.1 A Halfway House

We recognise that as the financial pressures continue for the Council, so both Services should take advantage of the Council's interest in their future to begin to take practical steps to establish a new, more business-like organisation. **We recommend** establishing a Development Trust as a halfway house which could help the Services to prepare, in time, to become independent, be part of another external independent organisation.

It would be possible for the Council to establish this as a charity for fundraising and investigating income generating ideas. There would be the costs of establishing the Trust and trustees would be required other than the Council (a corporate trustee role is not recommended). The Trust could continue alongside any future independent cultural Trust as a fundraising body (if one was set up) or could become the eventual Trust itself.

This would be quick and easy to achieve, with potential short, medium and longer term benefit and could also give both Services some experience of independence and working with trustees. The Development Trust could be used as a vehicle to test income earning ideas and could help to introduce some business-like methods into the two Services. It could make the Services more attractive to funders in the future, as they would not feel they were giving money to the Council.

Several local authorities have successfully created these for their heritage services, so the idea is not new. In the south west, Bristol Museums and Archives and the Royal Albert Memorial Museum in Exeter both have one and Poole Museums Service is currently creating one also.

### 7.2.2 Create commercial posts

Even without a change of governance, investment is needed in changing the culture of the Services to a heritage-focused business. It is not surprising that local government heritage services are often not business-like as they have been created to provide a subsidised service to local communities, and service is their mantra, not income. They have often been prevented or discouraged from charging and setting cost effective rates for such as room hire. However, all the staff in Herefordshire are bright and motivated enough to respond if a Commercial Manager was appointed to take the lead on income generation.

**We recommend** that a **Marketing Manager** is created for both Services, with an operational budget. This post will also support the income drive and help to boost visitor numbers at both HARC and any Pop Up Museums. Free access to social media and the ability to create and maintain a standalone website (so it is always up to date) will be key if this post is established and the Services are to grow.

**We recommend** that the Council appoints a **Commercial Manager** for both Services who can be the focus of assessing income generation potential and can work with the professional collections staff to implement the income generation ideas outlined in this report.

Posts such as these should be shared between the Archives and the Museums Services. A standalone website would be required; financial freedom to invest in lines to sell (some of which may be off-the-shelf and some of which would be bespoke to Herefordshire), not be prevented from stocking the shops just before the end of the financial year, in short, they should operate a trading account with dedicated



websites. If the Council is determined for services to be more commercial and earn more income, then this type of freedom of operation is essential.

The Development Trust, once it is created, could employ these staff to save the Council adding to its establishment. Or consideration could be given to appointing commercial staff who are self-employed which would save the considerable on-costs for the Council. Given that suitable candidates are likely to be working in the independent museums and heritage sector already, rather than local government, this would be a practical approach. We estimate that the posts would need a salary of approximately £30,000 each + an operational budget.

### 7.2.3 Heritage partnerships

The future of heritage is uncertain in local authorities as government grants will continue to decline and safeguarding children and adults will remain essential expenditure. The recent announcement by the Chancellor of the Exchequer that local government will be able to retain all the business rates it collects is unlikely to relieve all of the burden. As a consequence, all counties should continue to work together as much as they can and, despite the local focus of much of heritage collections, the specialist skills and knowledge required for caring for collections, is expensive to train and retain.

Worcestershire, Shropshire, Gloucestershire are all struggling with their county archive costs. The first two counties also run museums services. Rather than setting up small charitable trusts which lack critical mass, **we recommend** that Herefordshire takes the lead and initiates high level discussions with surrounding counties on more formal working partnerships. The aim of these discussions would be to allow retention of skills and knowledge and make the services more sustainable for the future. Informal discussions with professional heads of service we carried out during this project indicated that other counties are open to these conversations. However as so many senior officer posts have gone, the heads of service find they are unable to progress them as these matters need raising at Chief Executive and senior manager levels.

If Herefordshire takes a positive lead, it could attract central government support<sup>24</sup> and we believe the Hereford MP would back any initiative which may create a template which other local authorities could use to save their own heritage services.

## 7.3 Invest to save

In order to support this responsive, more cohesive approach, develop an independent outlook and a business focus, **we recommend** that significant steps should be taken in the immediate future, but investment will be needed. The development trust would assist here as the Trustees of this would bring a more business-like approach and new skills in support of a more focused and efficient way of working. As referred to in 7.2, the Trust could employ the new commercial and marketing posts to save the Council's establishment costs.

The Services should adopt AIM's *Hallmarks of a Prospering Museum*<sup>25</sup> as a blueprint for the more vibrant and business-like Services and perhaps a prospective new organisation. (Despite this being a Museum-based programme, it is still relevant for the Archives as an organisation.) In addition, an organisational

<sup>24</sup> Shropshire's Designated Geology collection has just attracted central government funding from the Chancellor's Libor fund through the support of their MP

<sup>25</sup> *Hallmarks of a Prospering Museum*, AIM, 2015 [www.aim-museums.co.uk](http://www.aim-museums.co.uk)

development programme should be adopted to kick-start this new way of working to include:

- **visioning** and build on the recent thinking to combat cuts to create a shared clarity of purpose for both Services;
- **strategic planning** in the medium term (to link with the Council's Corporate Priorities) to articulate this purpose;
- **HARC is a world-beating asset:** how can the Services build on this and use it as an inspirational base?
- **staff/volunteers** including:
  - a review of roles and responsibilities to identify where skills (potentially) exist which are not being used, where capacity needs to increase and which skills will be needed to help grow the organisation,
  - including using two full time support posts to manage the buildings and free up staff to fulfil their professional roles;
  - what roles an expanded volunteer workforce could help to develop and how this could be created and managed;
  - explore working relationships between staff from both Services, to cement partnerships and create action plans for developing joint projects to develop audiences for HARC;
  - creating more fluid and responsive working practices with collaborative assessments of ideas and costs;
  - and continuing to work with external partners as outlined in section 4.

Some external facilitation should be commissioned to support this implementation and to give input as a critical friend. We could provide additional information with a more detailed estimate of costs as and when required (but allow between £5,000 and £7,000).

In addition, key areas to address for more business-like behaviour include:

- regular contact with one or two similar sized organisations who have left local authorities and become independent to understand how they changed their focus (possibly one museum and one archive),
- and identifying similar sized organisations in a similar position to be become benchmarking partners;
- training and support for the senior staff in assessing the real cost of activities to ensure charges can reflect the true cost to the local authority;
- developing FoH staff to support the retail offer, e.g. buying skills, understanding the market and potential;
- training for all staff, including FoH, in selling, upselling and visual merchandising;
- identifying income generation ideas and new income streams.

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If the Council takes these three significant steps, and invests to save, it will not only show the type of leadership which HARC epitomises but will be setting the standard for other local authorities to be bold and creative in dealing with funding heritage services.

## 8. SUMMARY OF RECOMMENDATIONS & ACTION PLAN

### 8.1 Legal recommendation

The Council cannot close, sell or let MRLC without the prior approval of the HLF, as to do so would be a breach of the contract triggering the HLF's right to demand repayment of all or part of the Grant. (Section 5)

### 8.2 Financial feasibility study conclusion

With controllable costs within the Museums and Archives Service being dominated by Employee costs, there is no other option to achieving the required saving of £500k, other than to remove Employee costs by that amount, resulting in redundancies of staff and the ultimate closure of the Services. Needless to say, the situation is much more complex than this. A number of potentially expensive issues are detailed in Section 6.

There are no quick fixes. Overall, even if all the financial income-earning opportunities in this report were implemented, the contribution to meeting the required saving of the initial £100k (let alone future years) would be relatively limited as most ideas require investment, time to come to fruition and new skills. In the medium to longer term however, some of them could be developed (with the right skills) to earn a contribution for the two Services, but most of them require investment and/or external partners to make them happen. In addition, if any of these ideas were being considered, the impact on the existing services would need assessing. However, the income levels will never come close to ensuring the two Services do not need any subsidy from the Council.

(Section 6.3)

### 8.3 Summary of other Recommendations

None of the options outlined in The Cost of Closure are recommended.

(Section 6.4)

We are **unable to recommend** an immediate change of governance for the Museums and Archives Services. They are too small to survive alone, do not have sufficient commercial acumen or strong leadership to make them marketing focused and there are considerable costs to setting up the legal agreements if external charities are being created. (Section 7.1)

#### **We recommend that**

- the Council should take three steps to ensure the future of Herefordshire's Heritage Services:
  - create an independent Development Trust
  - create two commercial posts: Marketing & Commercial Managers
  - heritage partnerships: initiate high level discussions with other counties
- **Invest to Save:** in order to support transformation into responsive Services with a more cohesive approach, develop an independent outlook and a business focus, **we recommend** that significant steps should be taken in the immediate future, but investment will be needed. (Section 7.3)

- close the Museum & Art Gallery on Broad Street as it appears it will not re-open in the short term, so achieving some immediate savings (we estimate £70,000 but premises costs are not clear)
- create Pop Up Museums sited in e.g. shops, community halls, libraries, The Courtyard and at other venues round the County. A radical approach could be taken, more akin to a temporary exhibition or a touring show. This could support taking objects out on the road to new places (in addition to *Museum on the Move*) (Section 3.5.1)
- a more fluid approach to display could allow the Museums Service to experiment with different styles and content, starting conversations with the public, exploring co- curation and drawing especially younger members of the community into creating content (Section 3.5.1)
- the policy decision is taken that up to half of the time of the HARC conservation staff can be spent earning income from external advice and conservation work
- and that they investigate renting bench space in the conservation laboratory to one or two self-employed conservators (Section 6.3.3)
- increased lettings of offices and meeting rooms at both HARC and MRLC are assessed for income potential and impact on existing staff (Section 6.3.3)
- consideration to be given to introducing car park charges at HARC and assessing the impact on public opinion (Section 6.3.3)
- progress be made by the Museums Service immediately to expand the learning and outreach service using freelance educators and aiming to make a surplus over the year (Section 6.3.3)
- rapid progress be made to identify a venue for the Brian Hatton Centenary Exhibition in spring 2016 linking to other WWI centenary commemorations and including a full programme of events and retail opportunities (Section 6.3.3)

## **8.4 ACTION PLAN OF PRIORITIES 2016-17**

### **to April 2016**

- close Museum & Art Gallery on Broad Street with consequent redundancies
- re-invest some of this saving in appointing a Commercial Manager
- urgently identify a venue for the Brian Hatton Centenary
- develop a programme and retail lines in support of this
  
- begin high level talks with Gloucestershire, Shropshire & Worcestershire
- investigate setting up a Development Trust
  
- identify a venue for a Pop Up Museum and seek sponsorship
- develop volunteer roles in support of this
  
- agree policy change to allow HARC conservators to use some of their time for earning income from conservation work and collections advice
- examine reducing HARC opening hours to find additional savings in 2017-18
- assess impact on staff time of increased room hire, bench and office rental, and HARC parking charges, canvas the public
- business planning to establish priorities for income generation ideas as a result of assessments above

### **April – August 2016**

- recruit and train new volunteers to support opening the Pop Up Museum
- implement income generation ideas (following assessment above)

### **September – December 2016**

- implement changes in HARC hours (following assessment above)
- business planning to establish priorities for new marketing post
- develop the Pop Up Museum
- launch the expanded Learning & Outreach Service

### **January – March 2017**

- use some of savings and additional income to appoint a Marketing Manager to be in post in April 2017
- and to raise the profile of both heritage Services
- building on the partnerships already in place and increasing sponsorship opportunities

## **8.5 CONCLUSION**

We believe that the Archives and Museums Services are an asset to Herefordshire Council, are contributing to their Corporate Priorities out of all proportion to their small revenue budgets, command much loyalty and support from the general public and attract tourists, so important for the County's economy. Heritage overall brings over £20m into the County's economy and both Services could play a more positive role with the *Invest to Save* recommendations in this report.

The Council's far sighted decision to build HARC demonstrates what is possible. They now need the Council to implement this report. If their vision for Herefordshire is indeed one of economic prosperity with a healthy and fulfilled population, then the Council needs its Archives and Museums Services as partners to help to achieve this.

**Hilary McGowan**

**with**

**Alastair Stevenson**

**and**

**Rosie Parr, Lancaster Parr**

**February 2016**