

# North Tyneside Council Report to Cabinet 10 February 2014

## ITEM 6(a)

Beamish Museum Letter of Support

Portfolio(s): Finance

Cabinet Member(s): Councillor Ray Glindon

Report from: Chief Executive

Report Author: Fiona Rooney, Head of Finance and Commercial Services (Tel: 643 5724)

Wards affected: All Wards

### PART 1

#### 1.1 Purpose:

The purpose of this report is to seek Cabinet's approval to add the authority's signature to a letter of support being prepared as part of Beamish Museum's application to Heritage Lottery Fund (HLF) for £10.75m funding towards a circa £15m scheme to develop a number of attractions within the Museum over a five year period.

#### 1.2 Recommendation(s):

It is recommended that Cabinet:

- 1) authorises the Head of Finance and Commercial Services in consultation with the Head of Law and Governance to approve the wording and provide to the funder such necessary letters of support; and
- 2) if necessary, receive a further report detailing the financial and legal implications for the Authority of Beamish Museum Limited accepting a grant from HLF if the application is successful.

#### 1.3 Forward plan:

28 days notice of this report has been given and it first appeared on the Forward Plan that was published on 8<sup>th</sup> January 2014.

#### 1.4 Council plan and policy framework

This report relates to the following theme(s) in the 'Our North Tyneside' Council Delivery Plan:

(2) Theme: Our Places; our Places will 'be places that people like living in and will attract others to either visit or live here, 'work with residents, communities and businesses to regenerate the borough.

## **1.5 Information:**

Beamish Museum was the first English museum to be financed and administered by a consortium of councils (Durham, Gateshead, North Tyneside, South Tyneside and Sunderland) and was the first regional open-air museum in England. The museum was first proposed in 1958 and the collections were established on the Beamish site in 1970. On 9 December 2013 Cabinet agreed to proposals to withdraw from the existing Joint Committee arrangements governing Beamish Museum and to transfer the existing museum assets to the Beamish Museum Limited. The Authority will in future participate in a newly established Regional Stakeholder Group to advise on the development of the Beamish Museum. The re-constitution of the Museum has not been finalised at this point and the current constitutional arrangements with respect to the Museum are still in place.

The Museum has plans to develop the Museum during the 5 years from 2015-2020, extending the period covered by the museum from 1820 to 1950. Beamish Museum Limited intends to apply for a £10.75m grant from HLF and plans to find circa £4.5m of match funding from other grant applications, from The Business Friends of Beamish, existing museum reserves and income to be generated over the life of the project.

The Museum has provided detailed plans of how it would fund the match funding required from its own reserves and projected cash surpluses, which Finance Officers from Sunderland City Council have examined and reviewed and consider to be both prudent and realistic. The Museum has also been successful in the past in attracting various grant funding. The Museum Director has also indicated that the scale of the programme could be scaled down accordingly in the very unlikely event of lower trading surpluses or a reduction in grant funding. The bid for funding from HLF is still in the early stages and the programme may be modified to match the resources available.

## **1.6 Decision options:**

Option 1)

Cabinet may approve the signing of a letter of support being prepared as part of Beamish Museum's application to Heritage Lottery Fund. This will allow Beamish Museum Limited to apply for £10.75m of HLF grant funding to support a circa £15m investment in the museum.

Option 2)

Cabinet may not approve the signing of a letter of support and put at risk potential grant funding required which would have allowed a proposed investment in Beamish Museum to proceed.

## **1.7 Reasons for recommended option:**

If Cabinet approves the recommended option, the application for funding for Beamish Museum Limited can be made to support a circa £15m investment in Beamish Museum.

If the preferred option is not approved, there is a risk that the grant application will not be successful.

## **1.8 Appendices:**

This report contains no appendices.

## **1.9 Contact officers**

Fiona Rooney, Head of Finance & Commercial Services

(0191) 643 5724

Alison Campbell, Finance Business Manager

(0191) 643 7038

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

The Authority has received assurances from the lead authority, Sunderland City Council, that the wording of the letter of support will not entail any of the constituent authorities providing any real financial support to the project. As such there are no financial implications for the authority in relation to the issuing of the letter of support.

If necessary, a further report will be received detailing the financial implications for the Authority of Beamish Museum Limited accepting a grant from HLF if the application is successful.

### **2.2 Legal**

There are no direct legal implications arising from this report. This report seeks a delegation to appropriate Officers to finalise a letter of support in relation to Beamish Museum Limited's application to the Heritage Lottery Fund for grant support. A further report will be provided to Cabinet if the Museum's application is successful. This report will detail any legal implications for the Authority.

### **2.3 Consultation/community engagement**

Consultation has taken place with the other constituent authorities. If approval is given further consultation / engagement will take place a part of developing the grant funding application.

### **2.4 Human rights**

There are no human rights implications directly arising from this report.

### **2.5 Equalities and diversity**

There are no equality or diversity implications directly arising from this report.

### **2.6 Risk management**

There are no risk management implications directly arising from this report.

### **2.7 Crime and disorder**

There are no crime and disorder implications directly arising from this report.

### **2.8 Environment and sustainability**

There are no environment and sustainability implications directly arising from this report

### **PART 3 - SIGN OFF**

- Chief Executive

- Deputy Chief Executive

- Head(s) of Service

- Mayor/Cabinet Member(s)

- Chief Finance Officer

- Monitoring Officer

- Strategic Manager Policy,  
Partnerships, Performance  
and Communication