

Report of the Assistant Director (Communities, Culture & Public Realm)

York Museums Trust: Renewing the Legal Relationship with the Council

Summary

1. This report presents information on the Performance Delivery Plan (PDP) negotiated by the Council and YMT to run from 2013-18, and asks Committee to consider whether it wishes to undertake a scrutiny review to assist in the establishment of a new legal framework for the relationship between City of York Council and York Museums Trust (YMT).

Background

2. A five-year “Performance Delivery Plan” (PDP) was negotiated by the Council and YMT to run from 2013-18. The level of service negotiated under this plan was in return for an annual grant from the Council of circa £1.2m. Unfortunately, it has proved necessary for the Council to reduce its funding to YMT, during the period of the PDP, down to circa £600k this year, with further staged reductions to be made over the next three years.
3. This reduction in funding clearly means that YMT can no longer provide the same level of service and a new agreement is needed.
4. In September this year the Executive resolved to:
 - Agree a process for updating the legal agreements between the Council and the trust to reflect new funding levels
 - Commission further work with regard to options for new legal structures to better protect the museum assets
5. YMT will shortly be developing a new 5 year strategic plan to run from 2016/17, setting out how they will continue to develop and invest in the city’s museums. As we move to a position whereby the Council are able to provide only a very small part of the funding required to operate its museums we need to understand how the Council can best support YMT,

over the period of the plan, with the limited funding available to it, and how the various legal frameworks might beneficially be restructured in order to foster a strong relationship between the Council and YMT, facilitate investment, and protect the museum assets.

Scrutiny Review Proposals

6. The September Executive report noted that the major components relevant to the legal relationship between YMT and the Council are:
 - The building leases and collections management agreement
 - The Partnership Funding Agreement (which contains the Performance Delivery Plan)
 - YMT's charitable status
7. As part off a review, it is suggested that this Committee (or a Task Group of its members) consider how with reduced revenue funding the Council may best support the Trust to ensure its long term sustainability, to maintain its relationship with other funders notably the Arts Council, and to continue to make major capital investment in the museums.
8. The Task Group may also wish to look at the most appropriate legal structure for the relationship in order to support the above and to protect the assets.

Option

9. Members may choose whether or not to proceed with this scrutiny review proposal.

Committee's Workplan

10. If a decision were taken to proceed with this suggested review, the Committee would need to complete the review in time to enable its recommendations to be considered by the Executive Member for Culture & Tourism in April 2016.
11. It is therefore proposed that any work on this be undertaken by a Task Group, starting February and through March 2016.

Council Plan 2015-19

12. Undertaking the work proposed above would support the Council's priority to ensure York remains a prosperous city for all, where everyone who lives in the city can enjoy its unique heritage and range of activities.

Implications & Risks

13. There are no known implications or risks associated with carrying out this review. The review would enable a thorough consideration of the legal implications associated with renewing the agreements between the Council and York Museums Trust.

Recommendation

14. The Committee are recommended to proceed with this review.

Reason: To ensure due consideration is given to how best the Council may support the Trust to ensure its long term sustainability, to maintain its relationship with other funders notably the Arts Council, and to continue to make major capital investment in the museums.

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Report Approved



Date

02.11.15.

Wards Affected:

All



For further information please contact the author of the report

Abbreviations

YMT – York Museums Trust

PDP - Performance Delivery Plan