

Report of the Assistant Director (Lifelong Learning and Culture)

**YORK MUSEUMS TRUST PARTNERSHIP DELIVERY PLAN:
PERFORMANCE UPDATE**

Summary

1. This report updates members on the progress of the York Museums Trust (YMT) towards meeting the targets agreed in the Partnership Delivery Plan.

Background

2. The Partnership Delivery Plan (PDP) approved by members in December 2002 outlined the key targets and objectives which the Council requires YMT to work towards over the next five years. Members have asked for regular updates on progress. Reports are brought to EMAP at the half-year point and also in May, to report on full year performance. This report covers the period April 2007 to September 2007.
3. The update report is set out in Annex 1.

Capital Issues

4. Issues have arisen concerning the application of the agreed capital programme.

The Art Gallery Roof:

5. A serious problem has arisen at the Art Gallery with the roof over the south gallery. Significant amounts of plaster from the original ceiling have fallen onto the top of the modern suspended ceiling. Fortunately, the suspended ceiling has held, containing the fallen material, although the lighting has been put out of action. The gallery has had to be closed in the interests of health and safety. A survey has been undertaken of the three bays within the south gallery and it is understood that the effects of age and condensation mean that the entire ceiling will need to be renewed.
6. In the property leases, including that for the Art Gallery, the Council retains liability for any major failures to roofs and external walls. Major failures are defined as those where the cost of the repairs is greater than £25k and which prevent YMT from reasonably carrying on their business at the premises. (All other categories of repair and maintenance are the responsibility of the Trust.)

7. YMT have engaged architects to draw up a scheme to replace the ceiling. The cost is likely to be in the region of £200k. This will be a call on the Council's allocated capital programme.
8. YMT will progress the scheme as rapidly as possible having first obtained landlord's approval for the detailed scheme once it is drawn up.

The Hospitium:

9. The cost of the Hospitium project is now estimated to be £450k. The Council has already agreed to contribute £200k of this through the agreed capital programme. YMT had originally intended to borrow the balance from its bank. However, it is now proposed that the Council should use its prudential borrowing facility in order to borrow the balance on behalf of YMT. This will ensure that YMT obtains the necessary capital at the lowest possible interest rate.
10. The business plan for operating the Hospitium as a conferencing facility shows that it has the potential to generate income of £130k p.a. which will comfortably support the proposed level of borrowing and annual repayments, which are estimated at £35k-£40k pa over a 5 year period. The benefit to the Council lies in improvement to one of its capital assets as well as in the improvement to the financial position of YMT. YMT aim to begin the work at the end of this month.
11. It is proposed to transfer the risk of the borrowing to YMT by deducting the cost of the loan repayments from the Council's grant to YMT.

The Heritage Lottery Fund Bid

12. Discussions have taken place with the Heritage Lottery Fund (HLF) regarding YMT's bid in respect of the Yorkshire Museum and Gardens. On the advice of the HLF YMT has decided to resubmit its bid in March next year. The effects of this on the profiling of the capital are set out below. The revised submission will need to take account of the reduced Council capital available in the light of the need to repair the Art Gallery roof.

Consultation

13. This report is for information and there is no consultation to consider.

Financial Implications

14. The application of the capital programme is currently phased as follows:

		£,000s
2007/08	Hospitium	200
	1960's Experience	200
2008/09	Prison Experience	100
	Yorkshire Museum	500
2009/10	Yorkshire Museum	500
	Gardens	263

15. This needs to be reprofiled as follows:

2007/08	Hospitium	200
	1960's Experience	200
	Art Gallery Roof	200
2008/09	Prison Experience	100
	Yorkshire Museum	100
2009/10	Yorkshire Museum	500
	Gardens	263
2010/11	Yorkshire Museum	200

Options

16. This report is for information and there are no options to consider.

Corporate Objectives

17. YMT's business plan contributes to a number of corporate objectives including developing opportunities for residents and visitors to experience York as a vibrant and eventful city, improving opportunities for learning, and in strengthening York's economy through investment in the tourism infrastructure. Reinvestment in the museums is an identified priority within the sub-regional investment plan.

Implications

18. The report has no Human Resources, Equalities, Legal, Crime and Disorder, Information Technology, or other implications.

Risk Management

19. This report is for information and there are no risks to consider.

Recommendations

20. The Executive Member is asked to:

- note and comment upon the performance of the York Museums Trust
- agree to the application of the Council's capital as set out in paragraph 13 above
- recommend that the Executive considers the trust's request for £250k of prudential borrowing in order to fund the balance of the Hospitium scheme

Reason: To fulfil the Council's role under the Partnership Delivery Plan

Contact Details

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**Report
Approved**



Date 3.10.07.

Specialist Implications Officer

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Wards Affected: List wards or tick box to indicate all

All

For further information please contact the author of the report

Background Papers:

Museums Trust: Partnership Delivery Plan 12 December 2002
Establishment Of The Museums Trust: Report to the Executive of 26 July 2002

Annexes

1. York Museums Trust Performance Report
2. York Museums Trust Funding Applications
3. Retrospective Documentation Progress
4. Lifelong Learning Figures