

**EXETER CITY COUNCIL**  
**SCRUTINY COMMITTEE - COMMUNITY**  
**2 SEPTEMBER 2008**

**EXECUTIVE**  
**16 SEPTEMBER 2008**

**TOPSHAM MUSEUM**

**1. PURPOSE OF REPORT**

- 1.1 To clarify the status of Topsham Museum Society with respect to its custody of the City Council's building and collection.

**2. BACKGROUND**

- 2.1 Topsham Museum Society is an independent registered charity which manages the Topsham Museum. The museum itself is housed in 25 The Strand, Topsham and, together with the contents, is the property of the City Council.
- 2.2 Both house and contents were left to the City Council in the will of Miss Dorothy Holman, on condition that they should become a museum. Should the house ever cease to be a museum, the house and contents revert to her family.
- 2.3 Initially the City Council ran the museum directly, but the Society was formed in 1983 to assist the professional curator. Shortly afterwards the Society took over the whole running of the museum, and the City Council has had little direct involvement with the museum side of affairs since, with the exception of providing professional curatorial support – a condition of any voluntary museum's registration and later accreditation.
- 2.4 The Society holds a lease from the City Council, and applies for grant annually to offset it. In addition the Society has applied for, and regularly received, a grant to cover the insurance of the building and contents. The 2008/9 grant was for £2,100 rent support and £830 cash grant for insurance.
- 2.5 It should be noted that the museum is managed entirely by volunteers, and that, unlike almost every other independent museum of its kind, levies no admission charge: it makes its income from the provision of excellent teas and a small shop. Moreover, it was recently listed among the 10 museums shortlisted for the very prestigious Art Fund prize for best museum development of 2007 – almost unheard of for a museum run by volunteers. This development was managed entirely by the Society, who received grant aid from the Heritage Lottery Fund and the City Council to create a new gallery.

**3. CLARIFYING THE STATUS OF THE SOCIETY**

- 3.1 Two recent and related events have prompted the Society to seek clarification of their status from the City Council. After the Council's decisions on grant applications for 2008/9 the City Council passed on a substantial rise in the cost of insurance, which it pays but recharges (and then in turn usually offsetting with a grant). Soon afterwards the Society's rent was raised by the City Council, following the triennial rent review. The Society was naturally somewhat alarmed by these unexpected additional costs,

especially as the invoice included charges for a retrospective rise for the previous year's insurance too.

- 3.2 In fact the City Council's grant scheme allows for mid-term rises in rent, which are, in cases like this one, automatically matched by a rise in grant. However there is no such mechanism for the insurance, and the Society would have to absorb the additional cost or make a supplementary grant application.
- 3.3 The Society has pointed out however that the present system of lease and matching grant does not truly reflect the original intention of the two parties when the agreement began 25 years ago. The City Council is clearly obliged to maintain the house and its contents as a museum, and the Society is assisting the Council to do so, and could therefore be considered to be acting in the capacity of an agent of the Council rather than a tenant.
- 3.4 It is unclear why the Society accepted the lease/grant arrangement, which confers long-term obligations on the Society, but restricts the City Council's liabilities to only one year at a time. The arrangement is common, with many sports and other clubs occupying City Council properties, but in every case they are doing so for entirely their own activities, which are not directly linked to the concerns of the City Council.
- 3.5 The unusual situation of rent and insurance rises in mid financial year has brought the situation to light, and prompted this report and proposals for a more stable and equitable relationship.

#### **4. PROPOSALS FOR CHANGE**

- 4.1 To reflect the reality of the relationship between Society and Council, we are proposing a type of service level agreement common with other large cultural organisations in the city, such as the Phoenix. Such an agreement would typically offer a three-year funding agreement, renewable annually, and therefore rolling forward until such time as one party decided to end it. This offers the Society some comfort for their mid-term planning, and the Council the knowledge that its obligations under Miss Holman's will can be fulfilled and planned for.
- 4.2 The agreement should be that the Council will pay a grant equivalent to the rent plus the insurance, in return for the Society undertaking to maintain an accredited museum. The Society would report to the Grants Committee on its achievements in the past year and its plans for the coming 3 years, but would not be obliged to make the case for a grant each and every year. Given the Society continues to perform to its high standards, it would automatically receive the grant.
- 4.3 There is some cost to this proposal. The costs of the rent are netted off, and therefore have no impact on the grants budget, but the rise in insurance costs would represent extra expenditure to the Council, as would any future rises in premiums. In the current year this figure is £243.80.

#### **5. RECOMMENDED**

That the Scrutiny Committee Community recommend and Executive resolve that:

- a) a 3 year funding agreement with Topsham Museum Society be concluded in time for the 2009/10 funding round.

- b) The basis of the agreement be that an annual grant equivalent to the premises rent and the cost of insurance be made in return for the Society maintaining an accredited museum.
- c) The additional cost of insurance over and above what has been granted be absorbed by the City Council, the cost will be £4,155 for 2007/8 and £1,074 for 2008/9.
- d) Future increases in insurance costs are funded by the City Council through additional budget provision.
- e) Topsham Museum Society be thanked for its excellent work in maintaining a free access museum with high standards, and being shortlisted for the Art Fund prize for its recent developments.

HEAD OF LEISURE & MUSEUMS

**COMMUNITY & ENVIRONMENT DIRECTORATE**

Local Government (Access to Information) Act 1985 (as amended)  
Background papers used in compiling this report:

S:PA/LP/ Committee/908SCC7 v2  
19.8.08