

**Report of:** David Tucker, Interim Business Manager Leisure and Parks

**Title:** Review of Delivery of Museum Service

**Ward:** All

**Report author:** Jackie Hunt  
Museum Development Manager/Curator

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**Key Decision:** No

**Lead Member:** Cllr Mary Clarkson

**Scrutiny responsibility:** Community

#### *RECOMMENDATIONS*

That the Executive Board agrees to:

- The Museum of Oxford remaining open for 2006/7 and 2007/8 (rather than mothball or close)
- The Museum contributing £15,700 towards the big savings in 2006/07 and £23,800 in 2007/8.
- The Museum puts in place a 3 year plan to increase income and reduce costs demonstrating a continuous reduction cost to the Authority whilst the longer Town Hall project is developed and tested.
- The Museum develops longer term plans to provide a more sustainable arrangement for the interpretation of the history of Oxford by investigating collaborative partnerships and alternative locations.

### **1. Summary**

Members have asked for a review of the delivery of the Museum of Oxford to be carried out, in particular to identify whether savings of £120,000 could be met for 2006/7.

This report explains the work that has taken place to date and how both the short term and longer term options for the delivery of the museum service are being reviewed.

An options appraisal has been carried out of the short term and long term options. Closure, mothballing, retention and relocation and partnering have been considered.

The report explains the implications, likelihood of achievement and cost of each option and recommends the museum remains open for the next 2 to 3 years whilst the longer-term plans for the Town Hall are developed. The report summarises how the Council subsidy towards the running costs can be reduced over the next 3 years during this period.

## **2. Council's Vision and Strategic Aims**

The Museum of Oxford is a unique cultural resource, which can provide skills, resources and a focus for delivering a wide range of council objectives. The Museum's Mission statement is to work in partnership to develop a sense of identity and pride in the city and deliver a unique, sustainable, inclusive cultural, tourism and life long learning resource for Oxford, its communities and visitors.

The Museum contributes in particular to the following objectives of The Oxford Plan and Community Strategy:

- Enhancing customer focus
- Reducing social exclusion
- Delivering and implementing with partners a long-term vision for the city
- Promoting and improving economic, social and environmental well being
- Encouraging participation and a sense of belonging
- Contributing to dialogue and consultation
- Providing improved and affordable leisure facilities

## **3. Overview of Museum Service**

The Museum has an approved expenditure budget for 2005-6 of £228,568 Museum income is £45,000 with an additional income of £22,500 pa from management of Carfax Tower. The service is managed and developed by 3 professional museum staff, while daily 3 staff deliver learning activities and visitor services.

### *Key facts:*

- Predicted significant growth over the period 2005-2006
  - Education visits predicted 3266 (37% increase)
  - Total visitor numbers predicted 25,000 (18% increase)
  - Income predicted £44,000 (18% increase)
- Unique facility telling the story of Oxford and local communities and culture
- Respected learning service including services for schools, foreign students, groups and events for families, adults and children
- Popular special exhibitions programme
- Enquiry service and access to unique and important collections
- Innovative outreach projects working with local communities
- Museum service awarded over £250,000 in grants for acquisitions and projects since 2001.
- Broad-ranging established network of partners

#### 4. Options Appraisal

<b>Option 1 – Closing the Museum</b>	<b>Close the museum, remove all objects and displays</b>																		
<p><i>Financial implications:</i></p> <table border="0"> <tr> <td>2006/7</td> <td>Estimated savings</td> <td>£112k</td> </tr> <tr> <td></td> <td>One-off costs</td> <td>£(109)k</td> </tr> <tr> <td></td> <td>Net saving</td> <td>£3k</td> </tr> <tr> <td>2007/8</td> <td>Estimated savings</td> <td>£150k</td> </tr> <tr> <td></td> <td>One off costs</td> <td>£0</td> </tr> <tr> <td></td> <td>Net saving</td> <td>£150k</td> </tr> </table>	2006/7	Estimated savings	£112k		One-off costs	£(109)k		Net saving	£3k	2007/8	Estimated savings	£150k		One off costs	£0		Net saving	£150k	<p><i>Advantages:</i></p> <ul style="list-style-type: none"> <li>• Savings from 2007/8</li> </ul>
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<p><i>One-off costs:</i></p> <p>Staff redundancy / redeployment            Staff costs to manage closure            Fulfil terms of Service Level Agreement with Oxfordshire County Council            Specialist removal of object collections            Removal of displays            Potential repayment of grants</p> <p><i>Ongoing costs:</i></p> <p>Internal support services recharges            Management of Carfax Tower</p>	<p><i>Disadvantages:</i></p> <ul style="list-style-type: none"> <li>• Loss of income and no grant income.</li> <li>• Public and professional/sector criticism and loss of established public support.</li> <li>• Loss of skilled, qualified and trained staff.</li> <li>• Loss of service that is comparatively good value for money.</li> <li>• Loss of unique tourism and community facility contributing towards Oxford City Council objectives.</li> <li>• Removal of Museum service at this stage may prejudice the redevelopment of Town Hall as cultural, community and civic hub for Oxford (meets part of HLF award criteria).</li> <li>• Loss of past investment of Oxford City Council in Museum of Oxford.</li> <li>• Cost of re-start prohibitive, external grants limited for new build projects.</li> <li>• Museum site has limited access and little opportunity for re-use without high capital expenditure to make fully DDA compliant .</li> <li>• Currently not possible to redisplay many of museum items around Town Hall.</li> <li>• Management of Carfax Tower needs to be taken on by other council officers.</li> <li>• Negative impact on city tourism.</li> </ul>																		

Option 2 – Mothballing the Museum for 2 years	Close to the public, retain displays and majority of collections						
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<p><i>One-off costs:</i></p> <p>Staff redundancy / redeployment (year 1) Fulfil terms of SLA with Oxfordshire County Council (year 1) Specialist removal of some object collections (year 1) Potential repayment of grants (year 1) Start up costs (year 2)</p> <p><i>Ongoing costs:</i></p> <p>Internal support services recharges Site and services maintenance and insurance Part time specialist staff with basic administrative costs Collections care (year 2) Management of Carfax Tower</p>	<p><i>Disadvantages:</i></p> <ul style="list-style-type: none"> <li>• Loss of income and no grant income</li> <li>• Public and professional/sector criticism and loss of established public support.</li> <li>• Loss of skilled, qualified and trained staff.</li> <li>• Ongoing costs but no public access or services</li> <li>• No access to unique tourism and community facility contributing towards Oxford City Council objectives.</li> <li>• Removal of Museum service at this stage may prejudice the redevelopment of Town Hall as cultural, community and civic hub for Oxford (meets part of HLF award criteria).</li> <li>• Management of Carfax Tower needs to be taken on by other council officers</li> <li>• Negative impact on city tourism</li> <li>• Possibility of losing collection</li> </ul>						

<p><b>Option 3 – Retention of Museum Service</b></p>	<p><b>The Museum of Oxford remains open</b>  <b>The Museum contributes £15,700 towards big savings in 2006/7 and £23,800 in 2007/8.</b>  <b>The Museum puts in place a 3 year plan to increase income and reduce costs.</b>  <b>The Museum develops longer term plans to provide a more sustainable museum service.</b></p>																
<p><i>Financial Implications:</i></p> <p>2006/7</p> <table border="0"> <tr> <td>Increase museum income</td> <td>£8.2k (total £52.2k)</td> </tr> <tr> <td>Increase Carfax Tower income</td> <td>£4.5k (total £27k)</td> </tr> <tr> <td>Efficiency savings</td> <td>£3k</td> </tr> <tr> <td>Total saving</td> <td>£15.7k</td> </tr> </table> <p>2007/8</p> <table border="0"> <tr> <td>Increase museum income</td> <td>£8.8k (total £61k)</td> </tr> <tr> <td>Increase Carfax Tower income</td> <td>£5k (total £32k)</td> </tr> <tr> <td>Efficiency savings</td> <td>£10k</td> </tr> <tr> <td>Total saving</td> <td>£23.8k</td> </tr> </table>	Increase museum income	£8.2k (total £52.2k)	Increase Carfax Tower income	£4.5k (total £27k)	Efficiency savings	£3k	Total saving	£15.7k	Increase museum income	£8.8k (total £61k)	Increase Carfax Tower income	£5k (total £32k)	Efficiency savings	£10k	Total saving	£23.8k	<p><i>Advantages:</i></p> <ul style="list-style-type: none"> <li>• Contribution to savings</li> <li>• Museum of Oxford offers wide public services and able to develop</li> <li>• Continuation of skilled, established and unique resource for delivering Oxford City Council objectives regarding culture, tourism, social inclusion, community projects, partnerships, leisure and life-long learning opportunities</li> </ul>
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<p><i>Key actions:</i></p> <p>Improved marketing, access and more popular services  Increased user numbers and related income increase  Improved income generation initiatives e.g. retail  Cost saving initiatives e.g. review of staffing, review of opening hours/ seasonal opening  Cost savings from operational efficiencies  Review charging policy with view to increasing secondary spend  Re-tender Carfax Tower</p>	<p><i>Disadvantages:</i></p> <ul style="list-style-type: none"> <li>• Ongoing revenue expenditure</li> </ul>																

<b>Option 4 - Relocation and Partnering of Museum (LONGER TERM)</b>	
A: Immediate alternative location e.g. partner with other museum	<ul style="list-style-type: none"> <li>• No immediate solution for alternative location of the museum or potential partners.</li> </ul>
B: Redevelop improved museum service in within Town Hall	<p><i>Advantages:</i></p> <ul style="list-style-type: none"> <li>• Improved visitor services and access</li> <li>• Increased opportunity for increase in users and income generation</li> <li>• Integral part of Town Hall cultural hub and services</li> <li>• Higher profile service</li> <li>• Potential for development through external grant funding (HLF)</li> </ul> <p><i>Disadvantages:</i></p> <ul style="list-style-type: none"> <li>• Ongoing revenue commitment</li> <li>• Major capital investment</li> <li>• Reliance on external grant funding</li> <li>• Redeveloped museum may not reach potential of new site/location</li> </ul>
C: Collaborative partnerships and alternative locations	<p><i>Advantages:</i></p> <ul style="list-style-type: none"> <li>• Shared delivery costs with partner</li> <li>• Current potential partners exist e.g. Story Museum, County Library/Culture Services</li> <li>• Possible site options in Westgate and West End redevelopments</li> <li>• Purpose designed site to maximise potential and meet visitor needs</li> <li>• Potential for development through external grant funding</li> </ul> <p><i>Disadvantages:</i></p> <ul style="list-style-type: none"> <li>• Uncertain option</li> <li>• Current potential partners may not exist in future</li> <li>• Revenue costs unknown, may be increased</li> <li>• Possible lack of suitable site or site unable to maximise potential of service</li> <li>• High capital costs</li> <li>• Less likelihood for grant funding for new location</li> <li>• Possibility of Oxford City Council no longer being major stakeholder</li> </ul>

## 5. Summary of review

This is a summary of the conclusions:

- The Museum of Oxford is unable to make savings of £120k in 2006/7
- A continuing Museum service provides a skilled, established and unique resource for delivering Oxford City Council objectives regarding culture, social inclusion, community projects, partnerships, leisure and life-long learning opportunities
- Analysis of mothballing costs over two years demonstrate that only part of the £120,000 saving could be made (£65,000 saving year 1, £78,000 saving year 2).
- The Museum plans to constantly increase its income and contribution to savings year on year is planning for a more sustainable future, including significant links with Town Hall developments opening 2006/7.
- Closure would only provide savings of £3,000 in 2006/7 due to one off costs , and £150,000 savings in 2007/8.
- There is no immediate option for partnering/alternative location.
- Mothballing and closure will cause negative issues such as poor professional and public opinion.
- Removal of Museum service at this stage may prejudice the opportunity to apply for HLF funding in longer term as museum meets part of HLF award criteria.
- Mothballing and closure provide negative impact on City's tourism
- No museums nationally operate without some form of subsidy.

## 6. Recommendations

- The Museum of Oxford remaining open for 2006/7 and 2007/8 (rather than mothball or close).
- The Museum contributing £15,700 towards the big savings in 06/07 and £23,800 in 2007/8.
- The Museum puts in place a 3 year plan to increase income and reduce costs demonstrating a continuous reduction cost to the Authority whilst the longer Town Hall project is developed and tested.
- The Museum develops longer term plans to provide a more sustainable arrangement for the interpretation of the history of Oxford by investigating collaborative partnerships and alternative locations.

<p>THIS REPORT HAS BEEN SEEN AND APPROVED BY: Portfolio Holder: Leisure and Culture – Cllr Mary Clarkson Strategic Director: Sharon Cosgrove, Strategic Director, Physical Environment Legal and Democratic Services: Jeremy Thomas, Head of Legal and Democratic Services Financial Management: Emma Burson, Group Accountant</p>
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There are no background papers