

Report to :	EXECUTIVE
Relevant Officers:	Mark Towers, Director of Governance Alan Cavill, Director of Communications and Regeneration
Relevant Cabinet Member	Councillor Lynn Williams, Leader of the Council
Date of Meeting:	24 February 2022

BLACKPOOL HERITAGE AND MUSEUM TRUST

1.0 Purpose of the report:

1.1 To consider setting up a charitable company to run the museum, known as 'Showtown' and to take over the operation of the Blackpool Heritage Service in due course.

2.0 Recommendation:

2.1 To authorise the Director of Governance and Partnerships to set up a new charitable company entitled the Blackpool Heritage and Museum Trust, on the basis set out in para 6.4.

2.2 To authorise the Director of Communications and Regeneration to formulate an Implementation Agreement to protect the Council's interests in its involvement with the new charitable company and agree this with the charitable company.

2.3 To authorise the Director of Communications and Regeneration to make the necessary arrangements to sub-let the lease for the space within the Sands Building to the new charitable company.

2.4 To authorise the Director of Communications and Regeneration to negotiate a contract with the new charitable company for the provision of a Heritage Service to the Council.

2.5 To authorise the Director of Communications and Regeneration make the necessary arrangements to TUPE transfer the staff referred to in paragraph 10.1 to the new charitable company, at some point prior to the opening of the Museum in April 2023.

3.0 Reasons for recommendation(s):

3.1 Now that an opening date has been set for the Museum in April 2023, arrangements need to be put in place for a charitable company to run the museum and take over the operation of the pre-existing Blackpool Heritage Service. The Council has invested significantly in the Showtown project and holds the main lease and an Implementation Agreement is

recommended to safeguard the Council's interests. This agreement will not impinge on the independence of the charitable company but will mean the Council would need to be involved in any significant decisions.

- 3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No
- 3.3 Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Other alternative options to be considered:

- 4.1 As part of the development phase of the museum project specialist expert advice was commissioned to consider the most appropriate governance structure which would provide the best chance for the organisation to operate effectively and be sustainable in the long term. A company limited by guarantee, which is also a registered charity, was identified as the preferred option.
- 4.2 It is now incumbent on the Council as the lead organisation to initiate the setting up of the charitable company. Not having such a body in place would place the long term viability of the museum project in jeopardy, which would mean that National Lottery Heritage Fund (NLHF) funding, and other funding secured, would not be forthcoming. Legal advice has been received that it is good practice to also have an Implementation Agreement in place to safeguard the Council's interests due to its investment.

5.0 Council priority:

- 5.1 The relevant Council priority is: "The economy: Maximising growth and opportunity across Blackpool".

6.0 Background information

- 6.1 Showtown is Blackpool's new museum of fun and entertainment, now in the construction phase, and designed to celebrate the greatest show town on Earth. Engaging local residents and visitors through fun, laughter, stories sharing what makes Blackpool special. The opening date is scheduled to be April 2023.
- 6.2 This is a c.£13m project. The project has received £4m from the Northern Cultural Regeneration Fund, plus £1.5m from the Lancashire Growth Deal and £1.75m from Coastal Communities Fund. In addition it has received £400,000 development funding from the National Lottery Heritage Fund (NLHF) and, in July 2019, there was a further £4m from NLHF awarded for the delivery phase. This completed the statutory funding target set. Blackpool Council is committing £600,000 to fund the associated costs, having already invested significantly in the project to date. Additional funding has also been secured from a number of trusts and foundations.

- 6.3 A 30 year lease was agreed by way of a Cabinet Member decision in July 2021 for the Council to lease the space in the Sands Hotel from the owners Coolsilk Property and Investment Limited. It is proposed that this be sub-let by the Council to the new charitable company with the terms of the lease to be dealt with as part of the wider commercial negotiations with the Charity.
- 6.4 A new organisation is needed to meet the requirements of the business plan and consequently the funding received and a charitable company is the one considered most suitable to be incorporated. It is recommended that there be up to ten Directors/Trustees, with three of these directly appointed by the Council based on a proportional balance of two Labour and one Conservative councillors with the relevant skills and experience to be appointed to such a role.
- 6.5 It is recommended that the charitable objects of the company are to promote the education of the public in relation to the history of Blackpool principally, but not exclusively, by:
- the operation, maintenance and preservation of a museum in Blackpool known as 'Showtown: the museum of fun and entertainment';
 - the operation, maintenance and preservation of heritage transportation; and
 - the delivery of associated facilities and engagement programmes, fostering knowledge, understanding, appreciation and enjoyment of the history and heritage of Blackpool and the maintenance and preservation of the Blackpool heritage collections.
- 6.6 Prior to the pandemic, the Council led an open recruitment process for a Chair for the new charitable company. As a result of that exercise Spencer Phillips was identified as being the Chair-Elect for the new company and a proposed subscriber to the Articles and Founding Director. Spencer has worked with the Project Board in the intervening period on the delivery phase.
- 6.7 There is already in existence a Charity chaired by Lawrence Llewellyn Bowen to lead on the fundraising and it is proposed that the Vice Chair of that company Nigel Patterson be a subscriber and second founding Director. (Once the new charity is in operation, then the work of the fundraising charity will be subsumed into it). Three subscribers are required and it is recommended that the third be one of the Council appointed Directors/Trustees.
- 6.8 It is proposed that the Director of Governance and Partnerships prepare a set of Articles of Association and incorporate the company limited by guarantee with companies house, setting out its charitable objects and then prepare the submission to the Charities Commission.
- 6.9 It is appropriate for the charitable company to be set up now as there are some decisions the

company needs to make within the next few months in the lead up to the opening in April 2023. There is the sub-lease referred to above, there is the recruitment of a chief executive officer to lead the charitable company and the recruitment of other officers and Trustees during the course of the year.

- 6.10 The Blackpool Heritage Service was created in 2006. It operates a range of heritage related activities which includes the care and development of Blackpool Council's unique and internationally-significant historic collections. The History Centre (based in Central Library) provides a support service for members of the public, researchers and academics to gain access to Blackpool's history and its collections. Whilst the community heritage programme delivers a range of heritage volunteering opportunities, including training and development activities, the heritage newsletter and other engagement activity, the Heritage Guiding programme and coordination of the annual Heritage Open Days programme.
- 6.11 It is proposed that the Blackpool Heritage and Museum Trust will also take over the operation of the Heritage Service, as well as Showtown, thus creating a single heritage-based charitable company operating two publically accessible facilities – Showtown and the History Centre – and the managing the Council's heritage collections.
- 6.12 It should be noted that the ownership of the heritage collections will not transfer to the Trust. This will remain with Blackpool Council, thus safeguarding these important community assets for the future.
- 6.13 Does the information submitted include any exempt information? No
- 7.0 List of Appendices:**
- 7.1 None.
- 8.0 Financial considerations:**
- 8.1 An updated report will be provided to members outlining financial considerations following the completion of negotiations with the charity.
- 9.0 Legal considerations:**
- 9.1 As set out and referenced within the report.
- 10.0 Staffing considerations:**
- 10.1 There are ten full time members of staff within the Showtown Project Team and 4.4 full time equivalent members of staff within the Heritage Service Team. It is proposed that up to 13 full time equivalent members of this staffing complement will be transferred into the Blackpool Heritage and Museum Trust by TUPE transfer.

10.2 These roles encompass a range of essential tasks including administration and financial management, marketing, fundraising, community engagement, learning, collections care, development and management, research, historical interpretation and display and exhibitions. All are vital for the delivery of Showtown project and the long term sustainability of the Blackpool Heritage and Museum Trust.

10.3 Authorisation is sought for the Director of Communications and Regeneration make the necessary arrangements for the TUPE transfer these staff on the same terms and conditions to the new charitable company, at the most appropriate time prior to the opening of the Museum in April 2023. This will be enacted in line with all the necessary legal and human resources requirements. Any resultant financial consequences will be set out in the further report referenced at 8.1 above.

11.0 Risk management considerations:

11.1 Decisions are required as part of this report to enable a company to be set up and make key business related decisions. Failure to do this now could jeopardise funding streams and the decisions the council has already taken in connection with the lease of the space at the Sands building.

12.0 Equalities considerations:

12.1 There are no equalities considerations with regard to this report.

13.0 Sustainability, climate change and environmental considerations:

13.1 Sustainability, climate change and environmental considerations have formed part of the design process for Showtown which includes:

- Using materials low in embodied energy;
- Using naturally sustainable sources;
- Selecting recycled materials, have a high recycled content and or can be recycled after use;
- Sourcing local materials;
- Specifying design that reduces water consumption throughout construction and operation;
- Using low water consumption fittings;
- Managing contractor's operations to avoid pollution
- Prioritising robustness and energy efficiency as part of the design, materials and systems;
- Designing a museum that embodies flexibility to reduce the cost and complexity of future changes;
- Encouraging use of public transport by both staff and visitors

14.0 Internal/external consultation undertaken:

14.1 This areas covered in this report have been considered in detail by the Museum Project Board.

15.0 Background papers:

15.1 None.

16.0 Key decision information:

16.1 Is this a key decision? No

16.2 If so, Forward Plan reference number:

16.3 If a key decision, is the decision required in less than five days? No

16.4 If **yes**, please describe the reason for urgency:

17.0 Call-in information:

17.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

17.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

18.0 Scrutiny Committee Chairman (where appropriate):

Date informed:

Date approved:

19.0 Declarations of interest (if applicable):

19.1

20.0 Executive decision:

20.1

21.0 Date of Decision:

21.1

22.0 Reason(s) for decision:

22.1

23.0 Date Decision published:

23.1

24.0 Executive Members in attendance:

24.1

25.0 Call-in:

25.1

26.0 Notes:

26.1