

<p>CABINET MEETING - 11 MARCH 2009</p> <p>EXECUTIVE SUMMARY SHEET – PART I</p>	
<p>Title of Report: MERGER OF TYNE AND WEAR ARCHIVES AND TYNE AND WEAR MUSEUMS SERVICES</p>	
<p>Author(s): Director of Community and Cultural Services</p>	
<p>Purpose of Report: The purpose of the report is to advise and update Cabinet Members of the recent reports that have been considered by the Tyne and Wear Leadership group to formally merge Tyne and Wear Museums and Tyne and Wear Archives Services.</p>	
<p>Description of Decision: Cabinet is requested to formally approve the merger of Tyne and Wear Archives and Tyne and Wear Museums Services into the Tyne and Wear Archives and Museums Service.</p>	
<p>Is the decision consistent with the Budget/Policy Framework?</p>	
<p>If not, Council approval is required to change the Budget/Policy Framework</p>	
<p>Suggested reason(s) for Decision: The reason for the decision is that the merger will result in service improvements and cash benefits to both services.</p>	
<p>Alternative options to be considered and recommended to be rejected: None are submitted for consideration.</p>	
<p>Is this a “Key Decision” as defined in the Constitution? Yes</p>	<p>Relevant Review Committee: Culture and Leisure</p>
<p>Is it included in the Forward Plan? Yes</p>	

REPORT OF DIRECTOR OF COMMUNITY AND CULTURAL SERVICES

MERGER OF TYNE AND WEAR ARCHIVES AND TYNE AND WEAR MUSEUMS SERVICES

1.0 PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to advise and update Cabinet Members of the recent reports that have been considered by the Tyne and Wear Leadership group to formally merge Tyne and Wear Museums and Tyne and Wear Archives Services.

2.0 DESCRIPTION OF DECISION (Recommendations)

- 2.1 Cabinet is requested to formally approve the merger of Tyne and Wear Archives and Tyne and Wear Museums Services into the Tyne and Wear Archives and Museums Service.

3.0 INTRODUCTION/BACKGROUND

- 3.1 Following a request from the Tyne and Wear Chief Executives, a Working Group of officers from Tyne and Wear Archives (TWAS) and Tyne and Wear Museums (TWM) and from Gateshead Council and Newcastle City Council (the lead authorities for TWAS and TWM respectively), considered the potential for closer working between TWM and TWAS.
- 3.2 An internal study was carried out and a report produced. This was considered by the Tyne and Wear Chief Executives in May 2008 and, on the basis of this, the Chief Executives recommended that the two services should merge from April 2009, pending agreement by the Tyne and Wear Leadership Group. The Leadership Group approved the merger in August 2008.

4.0 CURRENT POSITION

- 4.1 As well as agreeing the merger in principle, the Leadership Group has agreed governance arrangements for the new service. Current existing arrangements for the two joint services are as follows:

4.2 Museums Service

This is regulated by a joint agreement entered into by the five councils in 1986. It provides for the Tyne and Wear Museums Joint Committee to comprise 23 elected members appointed by the constituent councils as follows – Gateshead (4 members), Newcastle (6), North Tyneside (4), South Tyneside (4) and Sunderland (5). It is believed that split was intended to reflect populations at the time. Although not specifically provided for, it has

been long-standing practice for each member to have a named deputy to attend in his/her absence. The Joint Committee is also empowered to appoint up to five non-voting co-optees, although there are none currently.

Its quorum is seven, provided representatives from at least three councils are present.

It can appoint sub-committees and co-opt other persons onto any sub-committee, provided elected members remain in a majority. The quorum of any sub-committee is one half of its members, being no less than three.

4.3 Archives Service

This joint service is governed by a joint agreement between the five councils, originally from 1986, last renewed in 2006. It established the Tyne and Wear Archives Joint Committee comprising 15 elected members, three from each of the constituent councils.

It specifically provides for the appointment of deputies.

The quorum of that joint committee is five, provided at least four of the constituent councils are represented.

4.3.1 The new governance arrangements can be summarised as follows:

- one new committee, the Tyne and Wear Archives and Museums Joint Committee, consisting of 15 elected members, with three drawn from and appointed by each of the constituent councils;
- each authority's representative to have access to a pool of deputies from that authority;
- there will be one chair and two vice chairs of the new committee;
- the quorum will be five members, provided at least three authorities are represented;
- the joint committee will have power to appoint sub-committees and to co-opt external persons to those sub-committees;
- the chair and vice chairs will be appointed annually by the committee from its members;
- Newcastle will be the lead authority for the new joint service and its Chief Executive and City Treasurer (or relevant senior officers appointed by them and agreed by the Joint Committee) will be the Joint Committee's clerk and treasurer respectively.

4.3.2 The new joint service will be constituted from 1 April 2009, subject to formal approval from each of the constituent authority's Executive/Cabinet. Once formal approval has been obtained a new Joint Agreement for the new service will be drawn up, which is currently being led by Newcastle City Council.

4.3.3 As the majority of staff (TWM) are employees of Newcastle City Council, (estimated 330) and TWAS staff (22) are currently employed via Gateshead

City Council, the most logical and cost effective option is to transfer TWAS staff to the TWM payroll as employees of Newcastle City Council through a TUPE transfer process.

5.0 REASONS FOR DECISION

5.1 The reason for the decision is that the merger will result in service improvements and cash benefits to both services as follows:

- Integrated management of collections, access, public interface and learning programmes, particularly for the services within Blandford House.
- Strategic development of an integrated offer and increased access to additional resources
- Potential for joint capital developments to provide enhanced visitor experiences and improved storage facilities, particularly for archives
- Single point of access for customers
- Increased potential to seek additional support from those external stakeholders which would welcome joint provision, e.g. Department of Culture, Media and Sport (DCMS), Museums, Libraries and Archives (MLA) and Heritage Lottery Fund (HLF)
- Integrated online image retail services
- Creation of single Committee with associated savings plus the opportunity to consider Governance arrangements ahead of scheduled 2011 review of TWM
- Joint Business Continuity and Emergency Planning
- Single ICT network.

5.2 The cashable saving is estimated in the region of £90,000 which will be achieved through shared staffing arrangements and the economies of scale associated with a single Service Level Agreement with a single lead or support authority. It was reported that if 50% of the cash savings were re-invested, this would represent a 7% re-investment whilst releasing an efficiency saving for each authority.

6.0 ALTERNATIVE OPTIONS

6.1 None are submitted for consideration.

7.0 RISK IMPLICATIONS

7.1 Opportunities/Benefits presented:

Approving the merger provides opportunities as outlined in Section 5.1 above. The integration of Archives and Museums will provide a better visitor experience for customers and will formally join up related areas of service delivery.

7.2 Key risks, threats or uncertainties:

Key risks associated with the merger include:

Significant risks	Controls to manage risks
Merger does not deliver equal prominence to both services	<ul style="list-style-type: none"> Both services (in terms of officers and lead authorities) are fully involved in the details of the merger
Concern from Tyne and Wear authorities	<ul style="list-style-type: none"> The leadership of all five authorities have been involved in the decision making, and officers from all five authorities continue to be fully briefed about developments

7.3 Option NOT to implement recommendation

Should the Council decide not to agree the merger the following risks may arise:

- Both Services would struggle to meet budget savings targets without further reductions in public service;
- Opportunities for service development would be seriously compromised.

8.0 NEXT STEPS

8.1 The drawing up of a new joint agreement to cover financial and legal arrangements will begin as soon as the merger is formally approved. Constituent authorities will be consulted on the contents and structure of the new joint agreement, via Newcastle City Council.

9.0 GLOSSARY

8.1 TWM - Tyne and Wear Museums
 TWAS - Tyne and Wear Archive Service
 MLA - Museums, Libraries and Archives
 HLF - Heritage Lottery Fund
 DCMS - Department for Culture, Media and Sport

10.0 BACKGROUND PAPERS

10.1 Tyne and Wear Leadership Group 28 August 2008 – Future arrangements for Tyne and Wear Museums and Tyne and Wear Archives Service.

10.2 Tyne and Wear Leadership Group 11 December 2008 – Governance arrangements for merged Tyne and Wear Archives and Museums Service.