

GWYNEDD COUNCIL CABINET



Report to a meeting of Gwynedd Council Cabinet

Date of meeting:	17 December 2019
Cabinet Member:	Councillor Gareth Thomas
Contact Officer:	Roland Evans
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Title of Item:	Financial contribution from Gwynedd Council to the Lloyd George Museum Charity

1. THE DECISION SOUGHT

Allocate a financial contribution of £27,000 from Gwynedd Council to the Lloyd George Museum Charity for 2020-2021.

2. THE REASON FOR THE NEED FOR A DECISION

Following a period of 'gap' funding for the Lloyd George Museum Charity by the British Government between 2017 and 2020, there has been no agreement on a permanent solution. An application is submitted to the Cabinet for temporary gap funding for 2020-2021 until an agreement is reached on a permanent solution and options.

3. INTRODUCTION

- i. Following the Gwynedd Challenge consultation, the Council decided that it would not be running the Lloyd George Museum from 1 April 2017. There was a cut of £27,000 and it was resolved to:

*Cease running the Lloyd George Museum **but** to be implemented from 1 April 2017 in order to give the Service an opportunity to hold discussions with any bodies that would wish to take responsibility **for** the museum.*

- ii. During the process of identifying cuts, it was highlighted that legal risks existed with any decision that would need to be considered.
- iii. The Lloyd George Museum is open between Easter and the autumn (and as required by schools and others from November to Easter) and attracts between 6,000 - 7,000 people every year. 24 schools visited the Museum in 2018-19 with 742 pupils.
- iv. Following the Council's decision, the Chancellor of the British Government announced that the financial deficit of £27,000 would be met by the British Government for three years until 2020. Subsequent to this, the Economy and Regeneration Cabinet Member decided that the Council would continue to act as trustees for the museum.
- v. During this period, the saving has been achieved and discussions have been held with the local community, Welsh Government, the Heritage Fund, National Museum Wales, the Imperial War Museum and key stakeholders such as the Friends of the Lloyd George Museum and Arloesi Gwynedd Wledig.

- vi. Since the decision to cease running the Museum, the following can be highlighted as actions:

2016: Lloyd George Commemoration Dinner in London by the Friends of the Lloyd George Museum and a fund-raising campaign raising £50,000

2016-17: A project worth £6,111 was developed with Arloesi Gwynedd Wledig and the Friends of the Lloyd George Museum to identify new income sources for the museum and to identify the 'real costs' of running the site. The project also examined potential volunteering models and a future vision.

2017-18: A funding application to the Heritage Fund to establish an alternative model and transfer to another group failed. An application worth £136,200 was submitted for a grant of £129,390. The Heritage Fund felt that an alternative model had been selected without undertaking the process to identify wider options.

2018-20: In light of further discussions with the Heritage Fund, a successful application worth £24,600 was submitted with a grant of £23,100 and a contribution by the Museums Federation to review potential options for the future governance of the museum with the intention that it would steer another future application in an attempt to realise the preferred model. The application also included working with volunteers and reinforcing the role of the Friends of the Lloyd George Museum.

2019-20: Following discussions with the Welsh Government and application for £4,950 was approved to assess the best options for establishing an Endowment Fund for the Lloyd George Museum.

2019-2020: Collaboration continues with the Friends, Welsh Government, local community and Museums Wales.

The Status of the Lloyd George Museum

- i. The Lloyd George Museum is a charity (registration number 504296). The official name of the charity is “Lloyd George Museum” and Gwynedd Council is the charity trustee.
- ii. The charity is governed by the Trust Deed dated 5 June 1948, which was adapted by a Scheme made by the Charity Commissioners on 8 November 1989.
- iii. The Scheme dated 8 November 1989 includes the following conditions:
 - The land and buildings that are in the possession of the charity are to be used for museum purposes to exhibit a collection of objects to the public, along with other items of educational and historical interest associated with the life and work of the late David, Earl Lloyd George of Dwyfor, in order to promote education.
 - The trustee can occasionally establish or change regulations for the management of the Museum within the limits noted by the Scheme.
 - The trustee should insure the buildings and contents that belong to the charity to their full value from fire and other usual risks and they should have proper insurance for public liability and employer liability.
 - The trustee should use the clear annual income of the charity to promote the purposes of the charity.

Gwynedd Council's responsibility to the Museum

- I. In terms of Gwynedd Council's responsibility to the Museum, trustees have independent control to manage and administrate a charity, and a legal responsibility for doing so.
- II. In general, trustees have six main duties, which include:
 - Ensure that their charity fulfils its purposes for the public benefit

- Comply with the governing document of their charity and the law
 - Act in the best interest of their charity
 - Ensure that their charity is accountable
 - Manage the resources of their charity in a responsible manner
 - Act with reasonable care and skill
- III. The Council's role as a trustee means that the Council, operating through the Cabinet has two separate roles to fulfil. As a trustee the Council has responsibilities towards managing a Charity. However, this is separate to the role of the Council as a Local Authority.
- IV. This report represents a request for funding on behalf of the charity to Gwynedd Council as a Local Authority.
- V. The Cabinet must therefore consider the request in the context of its overall funding situation and priorities. Its status as trustees for the charity does not mean that the Council is required to utilise its own funding to support it.
- VI. Whatever the Cabinet decides on the request for funding, it will then be necessary to hold a further meeting of the trustees to consider any steps that will need to be taken in response. In this meeting, the Cabinet will act as trustee and the relevant legal duties and responsibilities that relate to this are those of a trustee rather than a Local Authority.

Update

- iv. By means of funding from the Heritage Fund, Dr Kevin Mason & Associates were commissioned to undertake a review of options on the future of the Lloyd George Museum.
- v. The aim of the commission was to examine options to take forward through further funding applications to the Heritage Fund in the future, and not to create a future business case.
- vi. At present, further research work is being undertaken by Council Departments on behalf of the Trust in order to consider the options that have been highlighted.
- vii. No model will be agreed upon for implementation from 1 April 2020 and, therefore, the Trust requires more time to consider the way forward.
- viii. Therefore, a request is made to the Cabinet by Lloyd George Museum Charity Trustees for £27,000 for a gap funding period to further assess the options and the financial and legal implications of implementing them.

4. THE RATIONALE AND JUSTIFICATION FOR RECOMMENDING THE DECISION

Given the research and work that has been undertaken over the three years since the Council resolved not to support the Lloyd George Museum financially, more time is needed to scrutinise options and their financial and budgetary implications.

As the Treasury's contribution will end on 31 March 2020, an application is submitted to the Cabinet for temporary gap funding resources of £27,000 in 2020-2021 towards the Lloyd George Museum charity.

5. NEXT STEPS AND TIMETABLE

If it is agreed to allocate a temporary contribution of £27,000 to the Lloyd George Museum charity, this will allow more time for Trustees to consider the best models for the future.

It is intended to develop the options further and agree on the preferred model to move forward at a future meeting of the Trustees.

6. ANY CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION

Views of the Monitoring Officer

“As is stated in the body of the report, the decision sought relates to an application on behalf of the charity to Gwynedd Council as a Local Authority. The Cabinet’s consideration and decision on the matter should be undertaken in its role as a Local Authority a not as a trustee. The Legal Service has contributed in the preparation of the report, and accordingly there are no further comments in terms of probity.”

Views of the Chief Finance Officer

“There is a permanent financial gap of £27,000 facing the museum in 2020-21 since the UK Government grant, for 3 years to 31 March 2020, is coming to an end. The gap will continue until the Economy and Community Department develops a new model for running the site. It is up to the Cabinet, in its role as custodian of the Council's budget, to decide to release £27,000 to run the museum or not. In the circumstances, I believe that the decision being sought is reasonable but if the money is released, I expect that conditions will be imposed, because a new scheme needs to be put in place to meet the financial gap in subsequent years.”

Views of the Local Member

Not a local matter.