

Open Report on behalf of Andy Gutherson, Executive Director – Place

Report to:	Public Protection and Communities Scrutiny Committee
Date:	27 October 2020
Subject:	Heritage Service Update

Summary:

This report is an update on the actions undertaken in regard to the recommendations relating to the future of the council's heritage service approved by Executive on 3 September 2019.

These changes ensure a sustainable future for every aspect of the service offer and for the whole of the county, enabling an innovative approach to showcasing the county's rich heritage within a demand led, audience focused cultural enterprise model.

The Report also updates on changes to the portfolio of heritage sites operated by the Culture Service. This highlights that despite extensive and on-going work undertaken by council officers with regards those recommendations relating to the Usher Gallery, it has not yet been possible to find common ground with The City of Lincoln Council. The council's position remains that, other than the proposal in the original business case, the only sustainable model that fits with the wider vision is joint use of the building.

The impact of COVID on culture and tourism across the country has been significant, however the report demonstrates how the Culture Service has maintained engagement with audiences and local communities and has provided safe and enjoyable spaces for communities and tourists alike to return. This is resulting in post lockdown visits significantly higher than the national average as well as engaging with new audiences in new and exciting ways.

Progress towards a sustainable commercial model is illustrated, including hosting the two most popular blockbuster exhibitions in our history whilst generating 70% of service costs compared to a national average for local authority run heritage Services of 30%

Having worked on the development of the cultural enterprise and supersite model since the recommendations were approved by Executive in 2019, and having talked to many organisations and individuals across the county when working on the changes to the portfolio of sites, it has become clear that there is a strong opportunity and a powerful incentive to go further than previously envisaged, to widen our partnership and growing the size of the offer across Greater Lincolnshire.

The paper also outlines how we will be exploring the merits of establishing an independent trust in the future, after the implementation of the new operating model and greater sustainability has been achieved. The successful direction of travel to this end can be evidenced by the way Lincoln Castle and The Collection are bucking the national trend with the numbers of people visiting the attractions post lockdown and the performance of recent blockbuster exhibitions.

Finally, reflecting the support shown in the public consultation for the wider vision in the business case and new opportunities working closer with the wider heritage sector across the whole county the report also highlights the opportunity to develop a cultural supersite central to the county that is both accessible to the whole county and creates a new tourism destination that also allows new and improved celebration of Lincolnshire's rich heritage, focusing on the important themes that have affected Lincolnshire and its people.

Actions Required:

The Public Protection and Communities Scrutiny Committee are invited to endorse continued work towards delivering against the recommendations approved by Executive in September 2019.

1. Background

This report is an update on the actions undertaken in regard to the recommendations relating to the future of the Council's Culture Service approved by Executive on 3 September 2019. These changes include the move to a Cultural Enterprise and Supersite Model that delivers culture-based products and services to generate a surplus which is then used to ensure the service's long-term sustainability and development.

The recommendations also include changes to the operation of Gainsborough Old Hall, The Collection Museum and Usher Gallery, Discover Stamford and Burgh le Marsh, Alford and Ellis windmills.

2. Update on actions undertaken in regard to the Heritage Service

2.1 Cultural Enterprise

The vision for the Culture Service is to move to a Cultural Enterprise Model that delivers culture-based products and services to generate earned income and ensure the enterprise's long-term sustainability and development. Our current heritage offer is based on a model of multiple microsites, which are limiting and fixed in the stories that they tell. Consequently a cultural enterprise model will see a move towards a financially self-sustaining 'supersite' model for The Collection Museum, as already seen at Lincoln Castle.

Since the recommendations were approved, and in line with this vision, The Collection museum has hosted the two most popular exhibitions in its history, with nearly 50,000 people attending Museum of the Moon and 20,000 people attending the Natural History Museum curated Dinosaur exhibition. Although the national

lockdown has resulted in future exhibitions being moved to later dates, this approach will continue and includes hosting the Wildlife Photographer of the Year exhibition in 2021.

This also supports the Service's COVID-Recovery objectives in the safe re-opening of sites, in conjunction with ensuring we deliver culture in a way that responds effectively to the changing needs of our audiences. Alongside, this will allow the financial impact of COVID-19 on public funding and the wider economy to be better addressed, ensuring that on-going service priorities are focused on a sustainable future model for culture.

2.2 Changes to the portfolio of heritage sites

In October 2019 notice was served on English Heritage to terminate the lease of Gainsborough Old Hall effective from 31 October 2020 with the Council ceasing to manage and operate the Old Hall from this date.

Although the furloughing of staff by English Heritage due to COVID 19 slowed progress with the transfer, the handover will take place on schedule. The impact of COVID 19 has also led English Heritage to confirm that they would not be opening the Old Hall on handover at the end of October, and have suggested that this may not occur before summer 2021.

A number of the proposals approved by Executive in September 2019 relate to the Usher Gallery and The Collection Museum and there have been significant discussions during the past 12 months, particularly with the City of Lincoln Council as the owners of the buildings and pre-1974 collections associated with both sites.

In January 2020, following the affording of additional time to develop a proposal, an outline plan was submitted by a third party in relation to the running of The Usher Gallery. However despite the significant work by County Council officers put into supporting the development of the business case, by mutual consent the Leaders of both councils agreed that nothing viable had been produced.

Early in 2020, a proposal was supported by Lincolnshire County Council Leadership, to undertake an independent analysis of options relating to the future of the Usher Gallery- agreed with facilitation by a third party stakeholder. The final report was received in July 2020 and the only viable solution was seen as the establishment of a Trust which utilised the surplus from other heritage sites to support the Usher Gallery. This would potentially be at the cost of supporting other attractions, requiring a significant increase in the financial revenue obligations for Lincolnshire County Council, plus significant capital expenses, over a number of years- against the possibility, but with no guarantee, of a future uplift in external funding.

In absence of viable alternative options, the proposal for mixed-use of the gallery, with co-location of Celebratory Services, remains the model which offers provision of best value council services by making the best use of the building. It also enables the engagement of residents' who might not usually engage with culture, invited at poignant and key milestones involved in the delivery of Celebratory

Services. This affords great potential to build stronger connections with diverse local communities, and as a result to encourage subsequent engagement in wider culture.

Following Executive approval in September 2019, two years notice on the current collections management agreement dated 31 January 2001 was served on the City of Lincoln Council for that material in their legal ownership (pre-1974) associated with the Usher Gallery and The Collection Museum. Lincolnshire County Council remains hopeful that a revised collections management agreement, focused on a cost recovery model related to the care and management of the collections, that the Council has provided free of charge to the city since 1974, can be reached between the existing parties. This would ensure pre-1974 and post-1974 collections remain together, retained within the sites in which they have been developed and for the public benefit of the local communities to whom they closely relate.

In response to proposals to explore third party operation of Discover Stamford, Ellis Windmill, Burgh le Marsh Windmill and Alford Windmill, positive conversations are ongoing with third parties with regards to handing over responsibility for Alford Mill and Discover Stamford. The service will continue to focus on a sustainable way to protect the future of Ellis and Burgh le Marsh mills.

2.3 Opportunities for wider Lincolnshire

Having worked on the development of the cultural enterprise and supersite model since the recommendations were approved by Executive in 2019, and having talked to many organisations and individuals across the county when working on the changes to the portfolio of sites, it has become clear that there is a strong opportunity and a powerful incentive to go further than previously envisaged, widening our partnerships, and growing the size of the offer across Greater Lincolnshire.

The Future of the Heritage Service Business Case acknowledges the Lincoln centric nature of the current heritage service offer and the greater opportunities for closer working between the service and community heritage organisations to share access to and engagement with the counties cultural heritage and collections.

In order to maximise engagement with the county's rich heritage by residents and visitors, the varied cultural and heritage assets held in many different private and public hands should be brought together into a coherent Lincolnshire narrative that protects and enhances what we have, increasing the potential for funding and investment, whilst respecting all the different strands, ownership and direction.

By working with partners in a different way, engaging with heritage and cultural partners but also with economic development and tourism partners, private companies and persons of importance and influence, educational institutions, technological leaders and innovators we can strengthen our voice on the national stage and maximise the potential for funding and investment and for working with national partners.

In addition, and building on the support shown in the public consultation undertaken in 2019 for the cultural enterprise and supersite model, there are significant benefits to consideration of the development of a new cultural supersite central to the county that is both accessible to the whole county and creates a new tourism destination that also allows new and improved celebration of Lincolnshire's rich heritage, focusing on the important themes that have affected Lincolnshire and its people.

3. Consideration of Trust Status

In the summer of 2017 four options papers looking at governance models were presented and discussed by Public Protection and Communities Scrutiny Committee, and a cross party working group was established to consider the relative merits of alternative governance models, including establishing an independent trust. To support the outcomes, an external consultant developed an options matrix, which was reviewed by the working group and the Cultural Management Team assessing the risk and appetite of the options. Both the management team and Councillor working group reviewed the matrix.

As a result of this work, the working group fed into the scrutiny committee that the preferred option was to remain in house at that point of transition, though subsequent to this work, and as part of the wider development of the business case for the future of the heritage service, it was acknowledged that there remains merit and potential in the consideration of the establishment of a separate trust.

It was clear from the extensive development of the business case that key to any potential change in governance was to develop the new cultural enterprise and supersite operating model and establish this new model before any alternative governance could be implemented to best ensure sustainability.

Building on the work achieved through the working party, and in conjunction with the work delivered by external consultants in 2017/8 and in 2020 it is now planned to revisit the work in parallel to the work on the cultural enterprise model. This will include updating the analysis of similar cultural trusts and the consideration of different governance models, particularly in light of the recent and ongoing COVID impact.

Central to the benefit of alternative governance will be updated financial analysis, including highlighting where independent status may offer improved alternative for external grant funding.

4. Heritage Recovery

Following the national lockdown, changes in Coronavirus legislation allowed for the opening of Lincoln Castle grounds as a green space in late May 2020 and for cultural attractions to reopen in early August.

The opening of the castle grounds immediately struck a positive chord with our communities who embraced the space as somewhere that they felt safe to return

to with their families with over 150,000 visiting the grounds since May. This connection with local communities and visitors has also helped to ensure that as the wall walks and Magna Carta Vault experience opened, the attraction has performed significantly above expectation with 56% of paying visitors compared to last year. This is significantly above the reported national average of 8.8% in August.

Given the financial impact of the lockdown, it will continue to be imperative that Lincolnshire County Council's heritage service reopens in a way that minimises operating costs and maximises the return on limited resources. As the guidelines for COVID-19 secure opening of cultural attractions require additional staffing to ensure confidence in compliance with measures such as social distancing and one way systems, the decision was taken to utilise staff from some sites to ensure those sites that receive the most visitors could open without additional expense to the service and authority.

Lincoln Castle has opened with its normal hours and The Collection museum has opened six days a week, with staff from the Usher Gallery and the Museum of Lincolnshire Life utilised to focus on these two sites. The Battle of Britain Memorial Flight Visitor Centre is open four days a week and Lincolnshire Archives is open three days a week.

Performance at The Collection museum has also exceeded the highest expectations and when considered on a like for like basis is receiving 40% of the visitors it received last year despite the ongoing coronavirus restrictions. The number of visitors to both the BBMF Visitor Centre and Lincolnshire Archives are currently constrained by COVID secure guidance but at both venues demand continues to be higher than the capacity possible within the current regulations.

These successes bode very well for the continued recovery of the service and the return to the financial performance that has seen the service generate 70% of its own cost in recent years compared to a national average for local authority run heritage service of 30%

Looking forwards, the service will continue to ensure it operates with the minimum of structural, variable, costs, gaining the maximum return from assets. This will mean taking an agile approach changing public demand and audience needs and the flexible use of staffing across the service, with those sites not currently open remaining closed until the national picture and demand can enable the reopening.

5. Consultation

No consultation was undertaken to inform this report, however, extensive public consultation was undertaken between February and April 2019 to inform the business case and recommendations made to Executive in September 2019.

a) Risks and Impact Analysis

N/a

6. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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