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To: Cabinet – 30 November 2009

Subject: Museum of Kent Life

Classification: Unrestricted

Summary: This report gives an update on the Museum of Kent Life and the actions undertaken to give it a long term sustainable future.

1.0 Introduction and context

- 1.1** Set in 461 acres of country parkland, the Museum of Kent Life tells the story of the people who have lived and worked in Kent over the past 150 years.
- 1.2** Kent County Council (KCC) founded the museum with Maidstone Borough Council (MBC) in 1983. KCC became the sole operator of the museum in 1992 and established the Museum of Kent Life Trust to run the museum. KCC has provided an annual revenue grant to the Trust since its launch; the grant currently stands at £61,500, governed by a three year Service Level Agreement which ends in March 2010.
- 1.3** In financial year 2006/7 the Museum of Kent Life entered a period of financial instability. KCC agreed to contribute a total revenue grant sum amounting to £151,500 and £111,500 to ensure that the museum remained solvent whilst it sought a solution to these problems. KCC also provided financial advice and at their recommendation a leading expert in museum governance was consulted. Following his recommendations, the trust was strengthened through the addition of new trustees to fill strategic posts.

2.0 Transfer to Continuum and current position

- 2.1** About this time Mike Hill, KCC Cabinet Member for Communities, commissioned a report that recommended the transfer of the management and staff of the Museum to a commercial operating company. With advice from the Director of Community Cultural Services, stakeholders contacted the Continuum Group Ltd.
- 2.2** Continuum Group Ltd manages five visitor attractions in the UK, including the Canterbury Tales, and provides various services to the cultural sector including design and delivery of services to

visitor attractions. In 2007 Continuum visited the Museum of Kent Life and discussions began to explore a possible future working relationship between the two parties.

- 2.3 Following these discussions, in November 2008 a new company called Continuum (Kent Life) Ltd was formed to manage the museum. The Continuum Group wholly owns the company.
- 2.4 Continuum now aims to build a secure financial foundation to allow the museum to develop its cultural aspirations, with a target to increase visitor figures by between 30 and 60%. KCC revenue support will cease after 2009/2010. (See Appendix 1 for visitor figures.)
- 2.5 As part of the shift to Continuum management, the museum leases have been reviewed and amended.
- 2.6 Continuum (Kent Life) Ltd will return 30% of its profits to the Trust as rent. Any losses incurred in the first year of trading as a result of setting up costs will be covered by Continuum.
- 2.7 Whilst Continuum now oversees the day to day management of the site, the Museum Trust remains the governing body with responsibility for the museum collection. The Chair of Trustees David Brazier, having greatly helped the transition process is now working with the Trust, a KCC funding advisor and the 'Friends' group, to explore a new capital build project linked to an extension of their purpose built store. This three year project would include a visible storage facility to enable the public to handle objects from the collection. We anticipate that match funding for any HLF type project will come from profit made by the Continuum partnership arrangement.
- 2.8 In its first season Kent Life has improved the numbers of visitors and its financial bottom line. Early indications are that Kent Life is on target for achieving their **89,000 visitor objective** at the close of the first season 2009/10 - this would represent an **increase of 48%** on the figure for the previous year. The visit figure up until the end of August has reached **84,000** and the Director is predicting an end of year total of **100,000**. School bookings are also above last year's figures, although cancellations are becoming more frequent due to the economic climate. In addition, the relocation of the shop and the purchase of new family friendly stock have increased shop sales with on average £1,000 being made per month. The average spend per person has increased from £1.00 to £1.30 per person – this includes purchases from the shop, refreshments and activities. Taking into account the increase in visitors, this represents a significant improvement in income. The vastly improved promotional materials, including an excellent website (www.kentlife.org.uk) have helped to raise the profile of the

museum both locally in Kent and nationally. We are optimistic that this provides a good platform for the future success of the partnership.

3.0 Risk implications of the Continuum Partnership

3.1 The details of the Continuum Partnership are clearly laid out in a lease with a de facto three-year break clause which allows a notice to be served by either party in the event that an operating surplus no better than break even occurs during the year ending January 2012 (there are further possibilities for 2019 and 2024). While we do not anticipate such an outcome, if Continuum did decide to end the partnership, the Trust would have to review its options and consider whether the museum could continue to operate. If the Trust decided to cease museum operation:

- Objects transferred to the museum when the Trust was established would be offered back to KCC and MBC by the Trust as required by their Acquisition & Disposal Policy.
- KCC could offer to provide advice and guidance to the museum regarding dispersal of the remaining collections. Collections include both movable and static artefacts (e.g. buildings).
- KCC could offer to provide legal advice regarding winding down the Trust.

4.0 Resource Implications

4.1 There are no revenue resource implications of the transfer. For 2009/10 KCC has already provided the last annual grant of £61,500 to the Museum of Kent Life Trust and no further grants will be paid in future years.

5.0 Recommendations

5.1 Members are asked to note the successful transfer of operational responsibilities for MOKL to a commercial company and consider whether there might be a wider application of this principle in other areas.

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Background Documents: None