

Joint Museums Committee

Item No.

Report title:	Finance Monitoring Report for 2017/18 (Outturn)
Date of meeting:	26 July 2018
Responsible Chief Officer:	Steve Miller, Assistant Director, Culture and Heritage
Strategic impact This report covers the final outturn position for the Norfolk Museums Service (NMS) in 2017/18 as at 31 March 2018	

Executive summary

This report covers the Norfolk Museums Service (NMS) budget out-turn for 2017/18, including the revenue budget, reserves and provisions and the capital programme.

The main issues for consideration by this Committee are:

- NMS Revenue budget position at year-end.
- NMS Capital programme position at year-end
- Movements within NMS Reserves & Provisions.

Recommendations:

Committee Members are asked to consider and comment on:

- **The final revenue budget, capital programme and reserves and provisions positions for 2017/18.**

1. Proposal (or options)

1.1. Revenue Budget 2017/18

- 1.1.1 NMS achieved a small surplus on the 2017/18 revenue budget through careful monitoring and control. NMS were able to transfer the surplus to the NMS Income Reserve as previously requested and approved by the Joint Museums Committee, therefore the final outturn position is shown as nil. This is detailed in the reserve movements table at 1.3.1.
- 1.1.2 The outturn includes a budget over-spend of £0.049m on Staffing, resulting from increased pressures on front of house staff covering extended opening hours and events across the County. This also includes additional pressures while the new income-generating business model was established within the Archaeology team.
- 1.1.3 There was an overall income shortfall of £0.060m on Partnerships income, including undesignated fundraising and sponsorship income.
- 1.1.4 Admissions income successfully achieved a £0.090m surplus, which is 6.85% above target. There were strong performances in Admissions income throughout 2017/18, with exceptional visitor numbers to both Norwich Castle and Time and Tide Museum in August 2017. This resulted in an increase of £0.065m compared to August 2016. The exhibition programme continued to perform well over the autumn / winter months and despite the disruption caused by the poor weather in March the Service achieved excellent results with record breaking visitor

numbers of 426,110.

- 1.1.5 Through careful monitoring and control of expenditure and income generation throughout the year, NMS was able to deliver a further under-spend £0.053m which contributed to the Service to delivering a balanced budget.
- 1.1.6 The table below sets out the net revenue Service budget and out-turn for NMS.

Service	Approved budget £m	Outturn £m	+Over/- Under spend £m	+Over/Under spend as % of budget	Variance since last report £m
Norfolk Museums Service	3.284	3.284	0.000	0.00%	0
NMS Total	3.284	3.284	0.000	0.00%	0

1.2 Capital programme

- 1.2.1 Norfolk County Council's commitment to the County's cultural heritage and resources has been evidenced over the last year in our continuing programme of refurbishment and improvement to museums.
- 1.2.2 The capital programme is monitored over the life of the scheme rather than a single year. This reflects the life of the projects and the associated funding. Norfolk Museums Service is highly active in attracting external funding for new schemes and where appropriate these will be reported to future committees. There are modest NCC supported capital renewal schemes planned for Norwich Castle in the coming 3-year period to improve the operation of the external lift and the visitor welcome, and to improve the air-handling systems within the main galleries.
- 1.2.3 The NMS 2017/18 capital programme is detailed in the table below and includes any programme revisions.

Capital Programme 2017/18 – Norfolk Museums Service

Scheme or programme of work	2017/18 Capital Budget £m	2017/18 Capital Outturn £m	Slippage	Reasons
Schemes in Progress				
Voices from the Workhouse Project	0.055	0.055	0	Project estimated to be completed in 18/19
Norwich Museums Capital Projects	0.004	0.004	0	Project completed
Castle Keep Improvements	0.397	0.397		Stage 1 estimated to be completed in 18/19
ACE Small Capital Grants	0.158	0.158		Year 3 funding completed in 17/18
Norwich Castle: Gateway to Medieval England	0.433	0.433	0	Stage 1 Development Phase to be completed in 18/19
Norwich Castle	0.028	0.028	0	Stage 1

Critical Mechanical & Electrical Services				Development phase to be completed in 18/19. £0.122m re-profiled to 2018/19.
Gressenhall Pathway	0.004	0.004	0	Project complete
Total	1.079	1.079	0	

Funding of the NMS Capital Programme

The NMS capital programme is funded from a variety of sources:

- Voices from the Workhouse project is funded by the Heritage Lottery Fund (HLF). £1.800m funding has been received over 2 years, transforming Gressenhall into a national centre for workhouse interpretation and increasing the role of Gressenhall as a regional centre for heritage tourism
- Norwich Museum's capital projects are funded by residual monies from the Museum of Norwich at the Bridewell project of which £0.025m was funded from the Friends of the Norwich Museums' contributions.
- Initial capital funds for Castle Keep Development were received in July 2015 from Historic England £0.800m, prior to the HLF bid. Further development funding of £0.462m was received from the Heritage Lottery Fund for Norwich Castle: Gateway to Medieval England to develop the project further during 2016-18.
- Small Capital grants have been funded by Arts Council England (ACE) for a third year to allow NMS to fund the purchase of capital assets to a number of accredited Museums in our region to increase resilience.
- Policy & Resources Committee approved the funding of £0.900m to improve two critical elements of the Norwich Castle site M&E infrastructure during 2017-20, including the systems that control the temperature in the exhibition galleries and improve the reliability of the external lift, addressing a key requirement of the Equalities Act 2010.

1.3 Reserves and Provisions

1.3.1 There are some changes to the reserves and provisions to report. The highlights and a table summarising the out-turn position appears below.

- The income reserve is maintained to enable the Service to effectively manage pressures on revenue streams and resources, particularly during periods of unfavourable weather conditions that can impact upon visitor numbers.

- The Museums Repairs and Renewals Reserve includes funds for Gressenhall play area, farm and superstore equipment.
- The Unspent Grants and Contributions Reserve includes earmarked non-conditional project balances at year end.

Reserves and Provisions 2017/18	Balances at 01Apr17	Balances as at 31Mar18	Change
	£m	£m	£m
Norfolk Museums Service			
Museums Income Reserve	0.130	0.163	0.033
Museums Repairs and Renewals Reserve	0.160	0.165	0.005
Unspent Grants and Contributions Reserve	0.524	0.395	-0.129
Service Total	0.814	0.723	-0.091

2. Financial Implications

- 2.1. The implications for resources including, financial, staff, property and ICT, where relevant, are set out in Section 1 of this report.

3. Issues, risks and innovation

- 3.1. Officers have considered all the implications which members should be aware of. Apart from those listed in the report (above), there are no other implications to take into consideration.

4. Background

- 4.1. There are no other documents to refer to.

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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