

AGENDA

QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST COMMITTEE MEETING



Date: Tuesday 11 July 2017

Time: 10.00 am

Venue: Town Hall, High Street, Maidstone

Membership:

Councillors Cox, Cuming (Vice-Chairman), Newton (Chairman), Round
and Mrs Wilson

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1. Apologies for Absence
2. Notification of Substitute Members
3. Notification of Visiting Members
4. Disclosures by Members and Officers
5. Disclosures of Lobbying
6. To consider whether any items should be taken in private because of the possible disclosure of exempt information
7. Minutes of the Meeting held on 17 January 2017 1 - 4
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9. Report of the Head of Finance - Accounts 2016-17 6 - 10
10. Report of the Head of Finance - Review of Investments 11 - 14

Continued Over/:

Issued on Friday 30 June 2017

Alison Broom

**Alison Broom, Chief Executive, Maidstone Borough Council,
Maidstone House, King Street, Maidstone ME15 6JQ**

ALTERNATIVE FORMATS

The reports included in Part I of this agenda can be available in alternative formats. For further information about this service, or to arrange for special facilities to be provided at the meeting, please contact Democratic Services on committeeservices@maidstone.gov.uk or 01622 602272. To find out more about the work of the Committee, please visit www.maidstone.gov.uk.

PUBLIC SPEAKING

In order to book a slot to speak at this meeting of the Democracy Committee, please contact Ezzie Tunnicliff on 01622 602272 or by email on ezzietunnicliff@maidstone.gov.uk by 5 p.m. one clear working day before the meeting. If asking a question, you will need to provide the full text in writing. If making a statement, you will need to tell us which agenda item you wish to speak on. Please note that slots will be allocated on a first come, first served basis.

MAIDSTONE BOROUGH COUNCIL

Queen's Own Royal West Kent Regiment Museum Trust Committee

MINUTES OF THE MEETING HELD ON TUESDAY 17 JANUARY 2017

Present: Councillor Newton (Chairman), and
Councillors M Burton, Cox, Cuming and Mrs Wilson

24. APOLOGIES FOR ABSENCE

It was noted that apologies for absence had been received from Councillor Round.

25. NOTIFICATION OF SUBSTITUTE MEMBERS

It was noted that Councillor M Burton was substituting for Councillor Round.

26. NOTIFICATION OF VISITING MEMBERS

There were no Visiting Members.

27. ELECTION OF CHAIRMAN

RESOLVED: That Councillor Newton be elected Chairman of the committee for the Municipal Year 2016-17.

28. ELECTION OF VICE-CHAIRMAN

RESOLVED: That Councillor Cuming be elected Vice-Chairman of the committee for the Municipal Year 2016-17.

29. DISCLOSURES BY MEMBERS AND OFFICERS

Councillor Wilson disclosed membership of the Museum Strategic Board but confirmed that this would not affect her ability to take part in the committee and vote.

30. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

31. TO CONSIDER WHETHER ANY ITEMS SHOULD BE TAKEN IN PRIVATE
BECAUSE OF THE POSSIBLE DISCLOSURE OF EXEMPT INFORMATION

RESOLVED: That all items on the agenda be taken in public as proposed.

32. MINUTES OF THE MEETING HELD ON 20 JANUARY 2016

RESOLVED: That the minutes of the meeting held on 20 January 2016 be approved as a correct record and signed.

33. REPORT OF THE DIRECTOR OF FINANCE AND BUSINESS IMPROVEMENT - ACCOUNTS 2015/16

The Senior Finance Manager presented the report detailing the Queen's Own Royal West Kent Regiment Museum Trust's accounts for the year ending 31 March 2016 for approval by the committee before submission to the Charity Commission.

In response to questions the Committee was advised that:

- The Trust had to generate income in order to cover the service fee, and there was not much excess after the service charge had been paid. If additional work was required then further income would need to be raised.
- As there were strict rules around the sale of items in the collection these could not be realised as assets regardless of value and had therefore not been included in the accounts as such.
- A touring exhibition would be resource intensive and expensive. There were schemes in place for the museum to loan out fine art, however there had been low uptake due to the cost of transporting and insuring the items. Items that were in storage were mostly used for educational purposes.
- While an audit of the collection was being undertaken a hold had been placed on accepting new items. A Collections Development Panel had been formed to assess donations before acceptance. Potential donators were advised whether their donation would be placed on display or kept in storage so that they could make an informed decision.
- In the short term the Museum was busy undertaking the refit of the Egyptian Gallery into an Ancient Civilisations gallery. However new projects could be scheduled with an 18 month lead in, such as the suggested extension of the World War 1 exhibition.

During discussion the committee noted that an annual meeting was not sufficient to consider the business of the Trust, and that a changing Membership allowed for no continuity from year to year. It was therefore proposed that the committee meet biannually, and that an explanatory note on the Museum's structure and the Regiment Museum's place within it be presented to each January meeting of the committee. In addition it was proposed that an update report on the Strategic Board be brought to each meeting of the committee.

RESOLVED: That:

1. The Accounts for the Queen's Own Royal West Kent Regiment Museum Trust for the year ending 31 March 2016 be approved for submission to the Charity Commission.

For – 5 Against – 0 Abstain - 0

2. The committee be scheduled to meet biannually in January and July of each year.

For – 5 Against – 0 Abstain – 0

3. An informative paper explaining the structure of the Museum, and the placement of the Queen's Own Royal West Kent Regiment Museum within it, be presented to each January meeting of the committee, and an update report on the Strategic Board be presented to each meeting of the committee.

For – 5 Against – 0 Abstain – 0

34. REPORT OF THE HEAD OF COMMERCIAL AND ECONOMIC DEVELOPMENT - ANNUAL REPORT 2015/16

The Collections Manager introduced the report detailing the activity of the Queen's Own Royal West Kent Regiment Museum during 2015-16 for approval before submission to the Charity Commission.

The Collections Manager, in response to questions, replied that:

- The suggestion that local news media be involved in reporting on an item of interest from the museum on a weekly basis, as well as greater promotion of exhibitions on internal communications, would be taken forward to the communications team for further consideration.
- There was an active volunteer programme across many areas such as research, collection auditing and cleaning of items. All volunteer opportunities were advertised on the museum website.
- The Kent Archives could provide historical information regarding casualties from the Regiment. Enquiries from members of the public who are seeking written records were directed to the Kent Archive. The Museum Director would be exploring opportunities to further develop the Museum's relationship with the Kent Archive.

The committee considered the £15 flat fee for research undertaken by officers on behalf of members of the public, and requested further information on this to the next meeting, to include detail on the amount of time and resources allocated to each research request, and comparisons with local authorities who provide a similar service. The Museum Director agreed to provide the requested information and investigate charging options for presentation to a future meeting of the committee.

RESOLVED: That the 2015/16 annual report for the Queen's Own Royal West Kent Regiment museum Trust be approved for submission to the Charity Commission.

For – 5 Against – 0 Abstain – 0

35. DURATION OF MEETING

10.00 a.m. to 10.59 a.m.

MAIDSTONE BOROUGH COUNCIL

QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST COMMITTEE

MINUTES OF THE MEETING HELD ON TUESDAY 23 MAY 2017

Present: Councillor Newton (Chairman), and
Councillors Cox, Cuming, Round and Mrs Wilson

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. NOTIFICATION OF SUBSTITUTE MEMBERS

There were no Substitute Members.

3. ELECTION OF CHAIRMAN

RESOLVED: That Councillor Newton be elected as Chairman of the Committee for the Municipal Year 2017/18.

4. ELECTION OF VICE-CHAIRMAN

RESOLVED: That Councillor Cuming be elected as Vice-Chairman of the Committee for the Municipal Year 2017/18.

5. DURATION OF MEETING

7.15 p.m. to 7.17 p.m.

Agenda Item 9

Queen's Own Royal West Kent Regiment Museum Trust Committee

11 July 2017

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Accounts 2016/17

Final Decision-Maker	Queen's Own Royal West Kent Regiment Museum Trust Committee
Lead Head of Service	Head of Regeneration & Economic Development
Lead Officer and Report Author	Paul Holland, Senior Finance Manager (Client)
Classification	Public
Wards affected	All

This report makes the following recommendations to this Committee:

That the Committee approves the Accounts for the year ending 31st March 2017.

This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all – ensuring that there are good leisure and cultural attractions.

Timetable

Meeting	Date
Queen's Own Royal West Kent Regiment Museum Trust Committee	11 July 2017

Accounts 2016/17

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 Attached at **Appendix A** are the Accounts for the year ending 31st March 2017.
- 1.2 The Committee is required to formally approve the Accounts before they are submitted to the Charity Commission.

2. ACCOUNTS 2016/17

- 2.1 Whilst the Trust continues to have a healthy level of assets overall the funds available for day to day operations are currently at a low level, primarily due to a significant reduction in income received during the year. Investment income did increase, but other voluntary donations fell from £1,669 in 2015/16 to £447. This has led to a deficit on the receipts and payments account for 2016/17 of £1,393.
- 2.2 Members had previously agreed to fund the costs of framing a painting, 'Trones Wood' by Anthony Seward. These works have been undertaken at a cost to the Trust of £566, and this cost is included in the accounts.
- 2.3 As mentioned above the Trust continues to have a healthy overall level of assets, which currently stand at £24,579, but the bank account balance is now only £767. As a minimum the Trust needs to generate sufficient income to meet the annual service charge payment to the Council, but that did not happen this year. For the coming year there would need to be an increase in voluntary donations in order for the Trust to meet its ongoing obligations.

3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 It is recommended that the Committee approves the Accounts, so that they can be formally submitted to the Charity Commission.

4. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 4.1 The Accounts will be formally submitted to the Charity Commission.

5. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
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Impact on Corporate Priorities	There are no additional implications arising from this report.	
Risk Management	The approval of the annual accounts is a fundamental part of the overall financial management of the Trust.	Senior Finance Manager (Client)
Financial	The Trust needs to ensure it has sufficient resources to meet any ongoing commitments	Senior Finance Manager (Client)
Staffing	There are no additional implications arising from this report.	
Legal	There are no additional implications arising from this report.	
Equality Impact Needs Assessment	There are no additional implications arising from this report.	
Environmental/Sustainable Development	There are no additional implications arising from this report.	
Community Safety	There are no additional implications arising from this report.	
Human Rights Act	There are no additional implications arising from this report.	
Procurement	There are no additional implications arising from this report.	
Asset Management	There are no additional implications arising from this report.	

6. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A: Accounts 2016/17

7. BACKGROUND PAPERS

None.

The Queens Own Royal West Kent Regiment Museum Trust

Receipts & Payments Account

For the Period 1st April 2016 to 31st March 2017

	2016/17	2015/16
	£	£
Receipts		
From Voluntary Sources:		
Subscriptions, Donations & Legacy	447	1,669
Investment Income:		
Interest & Dividends	727	369
TOTAL RECEIPTS	<u>1,174</u>	<u>2,038</u>
Payments		
Costs of Charitable Activities:		
Works Undertaken	566	0
Miscellaneous	0	15
Maidstone BC Service Charge	2,000	2,000
TOTAL PAYMENTS	<u>2,566</u>	<u>2,015</u>
Surplus/(Deficit) for the year	(1,393)	23
Cash & Bank Balances at 1st April 2016	2,160	2,137
Cash & Bank Balances at 31st March 2017	<u>767</u>	<u>2,160</u>

Bank Balances		
Lloyds Current Account @ 31/3/17	766	2,160

Balance Sheet as at 31st March 2017	2016/17	2015/16
	£	£
Capital Assets		
CGWM Select Bond Fund	23,813	23,306
Current Assets		
Bank Accounts	766	2,160
Total Assets	24,579	25,466
Accumulated Reserve		
Balance Brought Forward	25,466	26,022
Revaluation Reserve Increase/(Decrease) for the year	506	(579)
Surplus/(Deficit) for the year	(1,393)	23
	24,579	25,466

Signed:

Paul Holland - Senior Finance Manager (Client)
Maidstone Borough Council

**Queen's Own Royal West Kent
Regiment Museum Trust
Committee**

11 July 2017

Is the final decision on the recommendations in this report to be made at this meeting?

Yes

Review of Investments

Final Decision-Maker	Queen's Own Royal West Kent Regiment Museum Trust Committee
Lead Head of Service	Head of Finance
Lead Officer and Report Author	Paul Holland, Senior Finance Manager (Client)
Classification	Public
Wards affected	All

This report makes the following recommendations to this Committee:

1. That the current investment be retained;
2. That investment performance be monitored and reported the Committee as part of future financial reports; and
3. That a further report be brought to the Committee should suitable alternative investments be identified.

This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all – ensuring that there are good leisure and cultural attractions.

Timetable

Meeting	Date
Queen's Own Royal West Kent Regiment Museum Trust Committee	11 July 2017

Review of Investments

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 At the last meeting of the Committee a request was made for a review of the investments held to be undertaken to ensure that the current investment was appropriate and generating an acceptable return for the Trust.

2. CURRENT INVESTMENT

- 2.1 Until 2014 the investments in the Trust were held in the Combined Charitable Capital Fund. At that point the fund manager (Collins Stewart Wealth Management) was acquired by Canaccord Financial Inc. and the Charitable Capital Fund was discontinued. The investment of the Trust was transferred to the CGWM (Canaccord Genuity Wealth Management) Select Bond Fund, where it is still invested.
- 2.2 The main difference between the two funds is the Charitable Capital Fund was exclusively for charities, whereas the Select Bond is open for investment by anybody. Whilst the Charitable Capital Fund sought to maximise capital growth within sensible risk parameters the Select Bond seeks to cap the volatility of the value of the investment at 6% annually. In that respect it is considered to be a suitable investment as maintaining the value and security of the investment is the main aim of the fund.

3. ALTERNATIVE INVESTMENTS

- 3.1 There are other investments designed exclusively for charities. The most commonly used one amongst the other Trust funds that the Council administers is one called Charifund, which is provided by M&G Investments. As with the original Charitable Fund investment they put a strong emphasis on the security of the investment.
- 3.2 For comparison purposes the table below shows what the quarterly investment income return would be with both investments based on the current value.

Value of investment at 31st May 2017	£23,919.96	
Fund	CGWM	Charifund
A -Unit Price at 31/5 (£)	£102.81	£16.28
B - Units Held	232.66	1,469.08
Value of Investment (A x B)	£23,919.96	£23,919.96
C -Dividend (Last quarter)	£0.88	£0.12
Investment Income (B x C)	£204.74	£176.29

3.3 As the table shows the current investment is performing slightly better than the Charifund investment at the moment, although of course this is a snapshot based on current figures.

3.4 There are a number of other charitable investments available. The Council uses investment advisors and it is suggested that they be approached with a view to identifying and comparing some suitable alternatives to see if there is a significantly better one available. If any are identified a further report will be brought to the Committee.

4. **PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

4.1 It is recommended that the current investment be retained; that investment performance is monitored and reported to the Committee as part of future financial reports; and that a further report be brought to the Committee should suitable alternative investments be identified.

5. **NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

5.1 Investment performance will continue to be monitored and reported to the Committee.

6. **CROSS-CUTTING ISSUES AND IMPLICATIONS**

Issue	Implications	Sign-off
Impact on Corporate Priorities	There are no additional implications arising from this report.	
Risk Management	Security of charity funds is paramount in any investment decision.	Senior Finance Manager (Client)
Financial	Investment income provides a source of income for the Trust to continue with its ongoing activities.	Senior Finance Manager (Client)
Staffing	There are no additional implications arising from this report.	
Legal	There are no additional implications arising from this report.	
Equality Impact Needs Assessment	There are no additional implications arising from this report.	

Environmental/Sustainable Development	There are no additional implications arising from this report.	
Community Safety	There are no additional implications arising from this report.	
Human Rights Act	There are no additional implications arising from this report.	
Procurement	There are no additional implications arising from this report.	
Asset Management	There are no additional implications arising from this report.	

7. REPORT APPENDICES

None.

8. BACKGROUND PAPERS

None.