

Southend-on-Sea Borough Council
Report of Executive Director for Adults and Communities
to
Cabinet
on
3rd November 2020
Report prepared by: Scott Dolling
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**Agenda
Item
No.**

11

The Beecroft Trust
Place Scrutiny Committee
Cabinet Member: Councillor Kevin Robinson
A Part 1 (Public Agenda Item)

1. Purpose of Report:

- 1.1 To update upon the current position with regards the Beecroft Art Gallery (“the Trust”) and with the proposed renovations into artist’s studios.

2 Recommendation:

- 2.1 That the Council notes that the proposal to convert the former Beecroft Art Gallery into artist’s studios is no longer feasible.

3 Background

3.1 Historical Background of the Beecroft Art Gallery and Westcliff Building.

- 3.1.1 The Beecroft Art Gallery and collection was founded in April 1949 by the late Walter G. Beecroft of Leigh-on-Sea, for the advancement of Art, Music and Literature in the Borough of Southend on Sea. The gallery on Station Road, Westcliff, (“the Former Gallery”) was purchased in October 1951 with Trust funds. The Former Gallery first opened in October 1953. Over time the collection has grown through donations from Friends of the Beecroft Art Gallery and when Sydney Thorpe Smith bequeathed his collection of local topographic works.
- 3.1.2 The Trust’s assets consist of the art collection and the site of the Former Gallery. These are fixed assets, the Trust has no liquid assets.
- 3.1.3 The art collection is extensive and of national significance with notable works by Constable and Reynolds. In the current venue, former central library in Victoria

Avenue (“the Former Library”) there is not enough appropriate conditioned display or storage space hence some of the collection is in storage

- 3.1.4 Following a building survey in 2013, the Former Gallery had to be abandoned and the collection was moved to the Former Library. This move was regarded as temporary with the original expectation that the Southend museum and Trust would all ultimately move to the developing Thames Estuary Experience (TEE) on the seafront. In summer 2018 the Council decided not to progress with the TEE.
- 3.1.5 The operational objectives of the Trust are delivered by Southend Council’s museums service. Along with the Trust’s art collection, the Former Library is also host to other temporary art exhibitions and lectures, The Hive business centre (2nd and 3rd floor) and the Jazz Centre UK (basement).
- 3.1.6 The Trust has no resources of its own to curate, manage and develop its art collection. The role has been undertaken through the Council’s Museums and Galleries Team. The Trust is considered an integral part of the cultural offer for Southend’s citizens and visitors. For the Trust to deliver this service independently would require significant organisational costs and a demand on resources that it does not have the liquid assets to cover.
- 3.1.7 In 2019 further structural damage was identified. The Former Gallery is still deteriorating and presents a risk should anyone be injured on the premises. Despite it being secured with hoardings, it has been raided and squatters have also been present on occasion.

3.2 Why is there one paper here and a further report for the General Purposes Committee?

- 3.2.1 The Trust is subject to a scheme dated the 18th February 1980 of the Charity Commissioners for England and Wales (“the Scheme”) and therefore the Council’s 51 Members are the Trustees of the Charity. The Scheme forms the current terms under which the Trust operates and is governed.
- 3.2.2 When acting as Trustees, Members are required to act in the interests of the Trust and not the Council. Where there is any potential of a conflict of interest between the Council and the Trust then independent legal or professional advice should be provided to the Trustees.
- 3.2.3 Therefore, Cabinet considered a report on the 16th June 2020 that detailed the improved governance arrangements and decision making for the Trust.
- 3.2.4 Cabinet approved the following recommendations:
- (a) That the Council’s General Purposes Committee act on behalf of the Trust and make recommendations for Full Council to consider.
 - (b) That independent advice is provided to the Beecroft Trustees through the General Purposes Committee to fulfil its objectives in the best interest of the Trust.

(c) That specific independent advice is provided on the former gallery site at Station Road, Westcliff.

3.2.5 Cabinet agreed, as part of these arrangements that that the General Purposes Committee (GPC) will, at first instance, consider matters whereby the Trust needs to make a decision and then the matter will be considered by Scrutiny Committee before consideration by Full Council. Wider input from external advisors was also recommended to support Members of the GPC in reaching an informed view.

3.3 Background of the proposals regarding the Artist's Studios

3.3.1 During the course of 2015, officers investigated a range of options and undertook public consultation on the future of the Former Gallery on behalf of the Trust. Following the outcome of this consultation, permission was granted for a feasibility study to investigate the viability of converting the building into artist studios. (**Cabinet paper 10th November 2015: Outcome of consultation on the future of the former Beecroft Art Gallery Building (Background Paper 1)**).

3.3.2 Following completion of the feasibility study, further permission was granted by Cabinet 28th June 2016 for the preparation of a formal bid to Arts Council England's Capital Grant fund and other external funding sources for the conversion costs of creating affordable artist studios within the building. (**Cabinet paper 28th June 2016: Artist Studios Feasibility Study (Background Paper 2)**).

3.3.3 The feasibility study suggested a future governance model which saw the Beecroft Trust working directly in partnership with Focal Point Gallery, the Council's jointly funded Arts Council England National Portfolio Organisation, to provide the day to day management of the Project. As an NPO, Focal Point Gallery were eligible to apply to Arts Council England's Capital grant Scheme; something the Beecroft Gallery Art Trust were not able to do in their own right.

3.3.4 Planning permission for the conversion of the Former Gallery into an artist studios complex was granted in February 2017.

3.3.5 External funding totalling £575,000 was successfully secured from three external sources (Arts Council England £495,000, Foyle Foundation £30,000 and the Garfield Western Foundation £50,000).

3.3.6 The Council proposed funding of £300,000 from the Capital Reserve to progress the conversion of the Former Gallery into the artist's studios via its Capital funding programme (2018/19) but this was not completed. The business case had been revised and would have only returned any income upon very successful levels of occupancy and upper end of chargeable rates. The addition of VAT to income on the project resulted in a challenging business case. With an objective being to raise income, this rendered a significant change to project viability.

- 3.3.7 A project board was established to oversee delivery of the conversion project and appointed Neobard Burnson Architects Ltd to manage the conversion of the building, who subsequently undertook some initial work to prepare the building for construction which included a package of remedial works and further structural surveys.
- 3.3.8 This phase identified that the estimated build costs contained within the feasibility study were greater due to the state of the building and that additional funding would need to be secured to enable the Project to progress to completion.
- 3.3.9 Therefore, the Council applied for Local Growth Funding (LGF) in the sum of £680,000.00 from South East Local Enterprise Partnership (SELEP).
- 3.3.10 The SELEP Funding unfortunately was not approved and therefore, without this funding being sourced from elsewhere the proposal to convert the Former Gallery into artist's studios became untenable.
- 3.3.11 The Council has returned the Arts Council Funding of £495,000.00. Further the Foyle Foundation grant of £30,000.00 had to be returned. The £50,000 was not claimed as the project to convert the Former Gallery to artist's Studios could not progress.
- 3.3.12 If the Council were to fund the shortfall of £680,000 (the amount not secured from SELEP) from Council funds then it would have to do so at a commercial interest rate. This would mean that the Trust would be subject to paying a commercial interest rate whilst the Council would still need to secure the occupation of the Trust in the Former Library (or elsewhere).

3.4 Moving Forward, How the Council and Trust could work together

- 3.4.1 The Beecroft Trust objectives are as follows: *"the promotion of the study of art, music and literature and in particular, but without prejudice to the generality of the foregoing, the provision and maintenance of the beecroft art gallery at southend-on-sea in the county of essex as a public art gallery and library."*
- 3.4.2 In considering these objectives the Council can continue to work closely with the Trust and especially with the enhancement of music and literature, as well as art, but this is beyond the remit of this report.
- 3.4.3 The physical space offered as part of this ongoing commitment to the Trust and its objectives is 450 sqm and is currently provided within the Former Library building on Victoria Avenue. The collection is presented professionally attracting positive responses from visitors, sector commentators and strategic partners. The relationship has worked successfully in the past with the aims of the Trust being delivered as part of the council's cultural team for the benefit of the Borough's citizens and visitors.
- 3.4.4 Both the Council and the Trust need to apply a commercial mind-set to ensure the long term sustainability of the Trust and at the same time protecting the Council's financial position and the Council managing its property assets. An

update in this regard will follow in a further report at a later date in the wake of negotiations with the Trust.

4. Other Options

4.1 None.

5. Reasons for Recommendations

5.1 The proposal to convert the Former Gallery into artist's studios is no longer financially viable.

6. Corporate Implications

6.1 The Council will continue to work with the Trust to achieving their cultural objectives to enhance the cultural and creative agenda for Southend and this features significantly in the Council's Southend 2050 Ambition.

6.2 Financial Implications

If the Cabinet approve the proposed recommendation then there are no financial implications to the Council in that decision. However, if the proposed recommendation is not approved then there will be a need for a significant capital investment into a scheme with no external funding and an operational scheme which is financially unviable to be progressed.

6.3 Legal Implications

N/A

6.4 People Implications

N/A

6.5 Property Implications

N/A

6.6 Consultation

NA

6.7 Equalities and Diversity Implications

N/A

6.8 Risk Assessment

NA

6.9 Value for Money

N/A

6.10 Community Safety Implications

NA

6.11 Environmental Impact

NA

7. **Background Papers**

7.1 **Background Paper 1.** Cabinet paper 10th November 2015: Outcome of consultation on the future of the former Beecroft Art Gallery Building.

7.2 **Background Paper 2.** Cabinet paper 28th June 2016: Artist Studios Feasibility

8. **Appendices**

None