

Chichester District Council

CABINET

8 September 2015

Appointments to Pallant House Gallery Board of Directors

1. Contacts

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2. Recommendation

- 2.1. **That Councillor Josef Ransley (and an additional member as deputy) and Mr Trevor James be appointed as the Council's representatives to the Board of Directors of the Pallant House Gallery with effect from 1 October 2015; the term of office of Councillor Ransley being four years to 30 September 2019 and the term of office of Mr James being until 30 September 2016, pending the outcome of the Gallery's Governance Review.**
- 2.2. **That the Gallery be informed that, depending on the outcome of the Governance Review, the Council is likely to agree to its representation on the Board being reduced to one member of the Council (with deputy).**
- 2.3. **That a further report be made to the Cabinet in respect of approval of revised Articles of Association and the outcome of the Gallery's Governance Review.**

3. Background

- 3.1. The Pallant House Gallery is a registered charity and company limited by guarantee, which operates independently of the Council. The Council set up the charity in 2004. The Council owns Pallant House, which is leased to the charity. The Gallery houses the Hussey Bequest art collection which belongs to the Council.
- 3.2. The Objects of the Charity, as set out in the Articles of Association, are "to advance the education of the public in the fine arts and history of domestic architecture principally in the Chichester administrative district and in particular, to preserve, restore and furnish Pallant House in the City of Chichester as a period house within which to exhibit works of art of historic or public interest for viewing by the public."
- 3.3. The Articles provide that there shall be up to fifteen directors (also known as trustees). The Friends of Pallant House Gallery (a separate charity) have the

power to appoint eight of the Directors and the Council has the power to appoint seven of the Directors.

3.4. The Articles also provide that

- (a) "Each appointment of a Director shall be for a maximum term of four years expiring on any 30th day of September, as may be decided by the proper appointing body".
- (b) "The person or persons appointed *by the Council* may be but need not be a member or members of the Council".
- (c) "Any Council member appointed as a Director shall remain in office only so long as he shall continue to be a Council member and in the event of a Director being a Council member ceasing to be a Council member, a casual vacancy shall arise. For the avoidance of doubt, the Council may, if it so wishes, appoint that former member to fill the casual vacancy".

4. Outcomes to be achieved

- 4.1. The Sustainable Community Strategy draws attention to the District's rich and varied heritage as a renowned cultural and arts destination. The arts and the area's heritage are a key economic driver within the district, and also contribute to the cultural well-being and health of its citizens.
- 4.2. These outcomes should continue through an effective and efficient board of directors of the Pallant House Gallery, as an important element of this heritage, and through an appropriate relationship with the District Council.
- 4.3. The purpose of the Council's representation should be clarified as being a non-executive monitoring role in what should be a self-sustaining independent organisation. The representative would provide a strategic linkage between Gallery direction and Council objectives, democratic representation of community voice, governance and monitoring and ensure the Council's interests are considered and financial contribution protected.

5. Proposal

- 5.1. The Council has traditionally made appointments, by the Cabinet, for a four year term coinciding as nearly as possible with the District Council elections. In accordance with the Articles set out above the Cabinet is due to make its appointment of directors for a term of up to four years, probably expiring on 30 September 2019.
- 5.2. The Pallant House Gallery has undertaken a Governance Review, which recommends a change in the composition of its Board of Directors to help it work more effectively.
- 5.3. This section of the report deals with both these aspects.
- 5.4. Ever since 2004, the Cabinet (or its predecessor Executive Board) has appointed five Directors. At some point an informal agreement was reached whereby the Friends made up the shortfall and so the Board has been at full strength with 15 directors.

- 5.5. The most recent appointments by the Cabinet are: Councillors Josef Ransley, Martyn Bell and Anne Scicluna (the last two are no longer directors because they have ceased to be Council members), Mrs Ann Janes (former councillor; when she ceased to be a councillor in 2007, the Cabinet continued to appoint her as a Trustee) and Mr Trevor James (never a councillor, but the Gallery's Company Secretary).
- 5.6. The proposals in the current Governance Review, include the following:
- “(3) the maximum number of trustees should not exceed the current ceiling of 15”;
- “(4) the system of appointment of trustees by Chichester District Council and the Friends of the Pallant House Gallery should be replaced by direct recruitment by the trustees, with consideration being given to the Council and the Friends both being invited to nominate *no more than two trustees each*”;
- “(15) Consideration should be given to the appointment of a nominations committee, to make recommendations and assist in the recruitment of new trustees, and a fundraising committee, to develop and implement PHG's fundraising strategy”;
- 5.7. The Gallery has requested that the Council considers reducing the number of trustees it appoints in line with the outcome of the Governance Review. It is proposed that the Council should agree to reduce its representation to one member (which would be consistent with the Chichester Festival Theatre). It is further proposed that, as recommended by the Governance Review, the Gallery should find another means of securing a place on its Board for its Company Secretary. It is therefore proposed that Mr Ransley is appointed as the Council's representative from 1 October 2015, together with a deputy. Trevor James should also be appointed by the Council as a second appointment until 1 October 2016 to provide transition for the Gallery whilst they implement the recommendations of the review. This will include amendments to the Articles of Association, to which the Council is a party.

6. Alternatives that have been considered

- 6.1. The Cabinet could appoint its full complement of up to seven members, or at least five as previously, but this would not take account of the expected outcome of the Gallery's Governance Review. The Cabinet could appoint two Council members, in line with the outcome of the review.

7. Resource and legal implications

- 7.1. There are no resource implications, but the Legal Services Team may need to be involved in checking proposed revised Articles of Association in due course.

8. Consultation

- 8.1. There has been no consultation at this stage.

9. Community impact and corporate risks

- 9.1. The role of the Gallery in the community has changed and developed since it was formed as a separate charity in 2004. The principal thrust of the recommendations contained within the Gallery's Governance Review is to form a smaller, yet more effective, Board, within which all of the many areas of competence and support that the Gallery requires are represented.
- 9.2. Assuming the reduction in appointments is approved the Council continues to have a key interest in the operation of the Gallery. Not only does the Gallery lease a Council-owned building and house a Council-owned art collection, but there is a Service Level Agreement (SLA) between the Council and the Gallery which determines the services the Gallery provides and the financial contribution the Council makes to the Gallery. This is due for re-negotiation in 2017, and so there is some benefit in a more arms-length relationship.

10. Other Implications

Crime & Disorder:	None
Climate Change:	None
Human Rights and Equality Impact:	None
Safeguarding:	None

11. Background Papers

None