



**CABINET REPORT**

<b>Report Title</b>	<b>Disposal of Museum Artefact</b>
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**AGENDA STATUS: PUBLIC**

<b>Cabinet Meeting Date:</b>	12 September 2012
<b>Key Decision:</b>	Yes
<b>Listed on Forward Plan:</b>	Yes
<b>Within Policy:</b>	Yes
<b>Policy Document:</b>	No
<b>Directorate:</b>	Customers and Communities
<b>Accountable Cabinet Member:</b>	Councillor Brandon Eldred
<b>Ward(s)</b>	Non-specific

## **1. Purpose**

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- 1.1 To seek Cabinet's agreement to the sale of a valuable Egyptian limestone statue of Sekhemka, which is currently part of the Egyptian collection held by the council's museum service.

## **2. Recommendations**

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That Cabinet:

- 2.1 Agrees to sell the council's Egyptian statue, Sekhemka, on condition that:
- a) The disposal achieves a price in line with the independent sale valuation that has been obtained.
  - b) The disposal is undertaken in accordance with relevant legal provisions and the council's financial regulations.
  - c) Industry good practice is observed in achieving disposal.

- 2.2 Delegates to the Director of Customers and Communities, in consultation with the Cabinet Member for Community Engagement, the Director of Resources and the Borough Secretary, authority to take all necessary steps to achieve the sale of Sekhemka. These steps to include authority to:
- 1) Seek interest and negotiate a disposal to a national or local public sector or not for profit museum or similar body.
  - 2) Appoint an auction house to negotiate a sale on behalf of the council either by auction or private sale at an agreed fee and/or rate of commission.
  - 3) Negotiate a private sale.
  - 4) Incur reasonable expenditure necessary to pursuing and or achieving disposal.
- 2.3 Agrees that all proceeds of the disposal of Sekhemka be used for the restoration of Delapre Abbey, improvements to the museum service and/or other cultural or heritage projects.

### **3. Issues and Choices**

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#### **3.1 Report background**

- 3.1.1 Over the past few months work has been undertaken to identify and assess the potential for disposal of a valuable Egyptian limestone statue of Sekhemka which is in the possession of the council's museum service.
- 3.1.2 With the assistance of an independent legal expert, a clear opinion has been formed that a successful disposal can be achieved.
- 3.1.3 Information has been gathered and considered from the following sources:
- i) Arts Council England
  - ii) An Egyptian antiquities specialist
  - iii) Museums Association
  - iv) Staff and former staff
- 3.1.4 A robust Acquisitions and Disposals Policy, refreshed in 2010, in line with best practice, is in place in the museum service. A Relative Strategic Importance of Collections Review (extrapolated from the 2010 Acquisitions & Disposals Policy) has recently been undertaken. A business case for disposal of the artefact has also been produced. All three documents will assist a successful disposal of this artefact.

### **3.2 Choices (Options)**

- 3.2.1 Cabinet can choose to dispose of Sekhemka as per the recommendations of this report. This would bring about a significant capital receipt which would be entirely reinvested in the town's cultural and heritage priorities, including the restoration of Delapre Abbey.
- 3.2.2 Cabinet can choose to retain the statue and request that steps are taken to make adequate security provisions to allow it to be put back on display.
- 3.2.3 Cabinet could consider loaning the statue to another museum. A number of museums have expressed interest in such a loan.

## **4. Implications (including financial implications)**

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### **4.1 Policy**

- 4.1.1 The recommendations of this report are in accordance with the Relative Strategic Importance of Collections Review and the 2010 Acquisitions & Disposals Policy.

### **4.2 Risk**

- 4.2.1 Risks arising from this report mainly relate to the complex legal implications that the sale of an Egyptian artefact historically gifted to the council will inevitably give rise to, which have been mitigated by the commissioning of expert legal advice.
- 4.2.2 There are also risks to the council's standing and reputation with national bodies and external funders which have been mitigated by proactive consultation and engagement and adherence to good practice.
- 4.2.3 A risk assessment has taken place and will be monitored up to and beyond the achievement of a sale.

### **4.3 Financial implications**

- 4.3.1 A successful disposal would realise a substantial financial receipt which would be reinvested in the town's cultural and heritage priorities, including the restoration of Delapre Abbey.
- 4.3.2 The council currently benefits from a variety of external funding streams. If we continue to proceed in accordance with good practice, such funding streams should not be negatively affected by this proposed disposal.
- 4.3.3 Significant commission fees will be charged to a successful bidder if we use an auction house or similar agent to dispose of the statue. As there are regulatory limits on the extent to which costs of disposal can be offset against a capital receipt care will need to be taken to fully understand the implications (if any) to the council of this restriction before proceeding with a sale by auction or other type of sale that may involve the payment of significant commission by a buyer.
- 4.3.4 Some expenditure will be incurred in pursuit of a successful disposal even if the statue is not ultimately sold. Such costs mainly relate to legal and other

professional advice and minor ancillary expenses. Provision for these costs has been made in the Museum Service budget.

#### **4.4 Legal implications (including property)**

4.4.1 There are complex legal issues arising from this proposed disposal. Expert legal advice has already been sought which has indicated that a successful disposal can be achieved.

4.4.2 There are however significant legal risks and issues in relation to a range of matters that need to be carefully considered and managed up to and beyond disposal if a successful sale is to be achieved.

#### **4.5 Equality**

4.5.1 An equalities impact assessment will be undertaken and appropriate steps taken to address any issues identified.

#### **4.6 Consultees (internal and external)**

4.6.1 Consultation is already underway. Key consultees have been identified and engaged with. These include senior politicians, staff, Arts Council England, Museums Association and industry experts.

4.6.2 The recently undertaken Relative Strategic Importance of Collections Review (extrapolated from the 2010 Acquisitions & Disposals Policy) will be used as the basis of a public consultation exercise.

#### **4.7 How the proposals deliver priority outcomes**

4.7.1 The proposal contained in this report will contribute to the town's cultural and heritage offer helping to make Northampton a better place to live, work, visit and invest.

#### **4.8 Other implications**

4.8.1 None.

**Julie Seddon, Director of Customers and Communities**