

Museums Facing Closure:

Legal and Ethical Issues



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Introduction

Museums play a vital role in society. They inspire people through their cultural, scientific and historic collections; improve the quality of people's lives; preserve, interpret and share unique collections for public benefit; and they enable people to exercise their human right to culture.

However, sometimes a museum can face a crisis that threatens its future. Financial or operational problems can arise due to internal or external factors that force a museum and its governing body to take urgent action to protect the museum's work, staff, volunteers, collection and other assets.

In some cases a museum may have no alternative but to cease operations and close its doors, despite all best intentions and efforts, and often through no fault of those who work there. This scenario frequently catches all involved unprepared and presents legal and ethical challenges that few ever expect to face. What are the responsibilities of a governing body or museum professional when facing such a situation? What happens to the public offer, staff, collections and buildings? Beyond the legal requirements, what ethical issues should be taken into consideration?

The Museums Association (MA) and Arts Council England (ACE) have commissioned research into over 20 recent museum closures in the UK to understand how the governing bodies, the employees and the individuals involved responded. This research has allowed us to draw out key lessons and reflections that form the basis for this report. In particular it shows that:

Closing a museum denies the public access to their heritage and significantly undermines the human right to culture. It is also a time-consuming, complex and expensive process. It should only ever be embarked upon by a governing body as a last resort after all other options have been exhausted.

Scope of the document

This is not a how-to guide. In most cases a good outcome should be possible for museums facing difficulties; but sometimes museums do undertake closure and need advice and support to do this legally and ethically. This report provides general information on how governing bodies, museum staff and volunteers have approached closure and outlines the issues they faced and the guidance that they found useful. It is designed for governing bodies and museum staff and volunteers facing a similar challenge.

This report does not give specific legal guidance on issues relating to closure, but it does provide an outline of the many legal issues that may arise. The MA is not able to give legal advice and we recommend that any governing body facing closure obtains formal legal advice throughout the process. This report does not provide advice regarding individual types of museum or collections and the potential issues that may relate to these. Museums may wish to seek further type-specific or subject-specific advice from other sources such as Subject Specialist Networks (SSNs).

Defining museum closure

Throughout this document we use the term 'museum closure' to mean the ceasing of operations at an entire museum site. This is likely to include:

- the closure of a museum site to the public, with no regular opening hours
- limited or no public access to the collections and museum building
- disposal, mothballing or transfer of the museum collection
- staff redundancies and the loss of volunteers.

Museum ethics

The MA's Code of Ethics for Museums sets out three key principles that all museums should support:

- public engagement & public benefit
- stewardship of collections
- individual and institutional integrity.

These principles, and the expectations set out in the Code of Ethics for Museums, should be observed by museums and governing bodies throughout the closure process.

Facing a crisis

Assess the situation

- 1.** In most cases, financial issues are the main trigger for the closure of a museum. This is either in the context of public sector cuts or financial instability. In a limited number of cases closure can occur due to the departure of key volunteers or members of staff.
- 2.** Many museums succeed in overcoming short-term and long-term crises and adapt their business models to continue operating. To do this a governing body must have arrangements in place to ensure that it has clear and detailed financial and operational information that will inform any potential changes.
- 3.** Most museums have the common tools and policies of good governance, including reserves policies, risk registers and annual audits, and it should employ them when faced with a crisis.
- 4.** Where a crisis is related to the departure of a key member of staff the governing body should develop a clear succession plan.

Create a contingency plan

- 5.** The governing body should prepare a list of options for the future of the museum, possibly with advice from a specialist consultant, and agree a way forward. Options might include an urgent fundraising campaign, obtaining targeted financial support from funders, substantial changes to the business model of the museum, a move to a different legal status (such as a charitable trust), increased involvement of a community group, merger with another museum, or as a last resort closure.
- 6.** The governing body should consult with experts relating to high risk areas as identified by the museum's risk register. The governing body should consider obtaining legal advice at an early stage if there is a risk of insolvency, as this may put the museum collection at greater risk, and members of the governing body could be exposed to legal claims. In such situations, trustees and directors may also lose their ability to hold directorships in the future.
- 7.** The governing body should also seek advice from auditors regarding any plan for closure as there can be substantial hidden costs in areas such as pensions.

Consult with sector bodies and other museums

- 8.** Where a museum staff member or trustee fears that their museum is at risk of closure, they should contact key sector organisations such as the MA at an early stage for discreet advice and support, including help in identifying alternatives to closure. They should also be in regular contact with their [local Museums Development Officer](#) (where applicable) and their national support body: ACE; Museums Galleries Scotland (MGS); Museums, Archives and Libraries Division in Wales (MALD); and the Northern Ireland Museum Council (NIMC).
- 9.** Accredited museums should contact the relevant accreditation assessing organisation if they have identified a risk of closure. The assessing organisation will generally request a situation update including news about the issues facing the museum and the collection.
- 10.** Other museums in the same area or specialism can be a source of support, advice and help.

The decision to close

Planning for closure

11. Effective planning and consultation should be undertaken ahead of any decision to close. Abrupt closure is extremely damaging in both practical and reputational terms. It generally constitutes an ethical failure in terms of public trust, stewardship of collections and institutional integrity, but is often precipitated by overriding practical or governance issues such as loss of funding or insolvency.

12. An initial plan for closure should be agreed between the museum director and governing body, with opportunities for input from members of staff and other stakeholders. The governing body should also consider taking professional advice as part of this process.

13. Planning for closure should set out clearly how the museum intends to deal with the following areas at minimum:

- museum visitors and local communities
- staff and volunteers
- collections
- buildings
- external funding relationships and partnerships
- other physical and digital assets.

14. A plan for closure should set out sufficient resources, including financial resources, to wind up the museum's activities and seek an adequate new home for its collections and other assets. This can be a costly and time consuming process, as the plan must allow for practical tasks associated with documenting and transferring buildings and collections to new ownership and meet the standards of current asset and data transfer legislation. This can take years in some cases.

Making the decision

15. Some governing bodies will decide after careful planning and thorough examination of all other avenues that closure is the only option. This decision should be taken by all members of the governing board (depending on the organisation's articles) following a full briefing on the situation and alternative courses of action.

When Snibston Museum in Leicestershire closed in 2015, Leicestershire County Council appointed a project manager for the closure process and provided resources to ensure adequate staffing for the closure of this large museum with a substantial collection, which included many large and difficult to remove items.

The team carried out a full collections review over 10 months, which resulted in the bulk of its exhibits being returned to a storage facility operated by Leicestershire County Council. Of the exhibits formerly on display at the museum, 1,446 went into the council's stores with the assurance that many of the items would be displayed at other council sites at a later date. A further 117 objects were dispersed through loans, transfers and returns.

Several large items were removed from the site and loaned to other museums, including a dragline excavator, a large jet engine and an oil fired engine. These loans were carried out on standard loan terms.

The council also had to pay back £146,146 to the Heritage Lottery Fund, which had previously invested in the museum and its collections.

Consulting on closure with key stakeholders

16. The governing body should seek the active involvement of key stakeholders such as Friends of the museum, community groups, peers and SSNs in the closure process, as well as sector bodies. A genuine discussion on the possibilities for the museum, its collection and its audience is a useful departure point for potential new projects and leaving a positive legacy. However, the governing body should be upfront with any interested parties about the financial responsibilities involved in taking on an historic building, as well as recognising the significant resource and capacity required to manage a public building. It is therefore important not to raise expectations unduly about what will be possible once funds are withdrawn.

17. Where there are difficult relationships with specific stakeholders, face to face meetings and open discussion are the best options for improving relationships. Some museums facing closure have also used professional facilitators or mediators to reach agreements on controversial aspects of closure.

The decision to close

Consultation and the public sector Equality Duty

18. Governing bodies need to be aware from the start of the process that, under the [Equality Act 2010](#) and a range of [separate legislation in Northern Ireland](#), public bodies have an equality duty and are required to consider the impact of museum closure on groups with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation). They are therefore expected to prepare an equality impact assessment. It is good practice for all governing bodies, regardless of whether they are in the public, charitable or private sector, to carry out such an assessment.

19. The equality impact assessment is underpinned by public consultation. This must be carried out in good faith, paying due regard to the effect on people with protected characteristics. In law, a fair consultation should:

- be carried out at a formative stage
- provide sufficient information so that people can engage in the process
- provide an adequate time for consultation and response
- conscientiously take into account the results of the consultation.

20. A public body has a duty to ensure that it has identified and examined every viable proposal to avoid a decision to close the museum. The judicial review on the closure of Snibston Museum in 2015 showed that an active search for feasible partnerships may be necessary to fend off the risk of permanent loss of access by the public to the collections.

Closing a charity

21. If the museum in question is a registered charity in England or Wales, the trustees must follow [official Charity Commission guidance](#), and must notify the Charity Commission of the decision to terminate the charity and its activities. This can be done via the Charity Commission's website provided that the museum's last reported income was below £5m and its total assets are worth less than £100m. In other cases, the trustees must contact the Charity Commission directly. In Scotland, charities should follow guidance from the [Scottish Charity Regulator](#), and must gain consent of the Regulator at least 42 days before the date on which it is intended that the charity will be dissolved. In Northern Ireland, charities should follow guidance from [the Charity Commission for Northern Ireland](#).

22. The trustees must be able to provide at least the following information to their charity regulator:

- the value of the museum's remaining assets; the Code of Ethics for Museums states that museums should not treat collections as financial assets; when dealing with the relevant charity regulator on such matters, museums should state this clearly
- what the museum intends to do with the remaining assets, including collections
- the reason for closing the charity, which should have been recorded in the minutes of the meeting when trustees decided to close
- if the charity has become a charitable company, the registered number of the new charitable company
- the registered number of the charity receiving the museum's remaining property if assets have been transferred.

The decision to close

23. To dissolve the charity the trustees will need to check its governing document, which will provide details regarding the trustees' powers and duties and the management of the trust. There may be:

- a dissolution clause
- no specific power to dissolve but all the charity's assets can be spent
- no power to dissolve and the charity has a permanent endowment that cannot be spent.

24. Where the museum has a dissolution clause in its governing document, the trustees must follow the procedure as set out, and must register the dissolution with their charity regulator.

25. If there is no specific power to dissolve but all of the charity's property can be expended, the trustees should seek to give the remaining assets, including collections, to another charity with similar purposes. Ideally this would result in the transfer of collections to another museum with a relevant collections development policy. Where there is a permanent endowment the trustees must make arrangements for this to be transferred to another charity.

26. After the charity is wound up, the trustees must arrange for its accounting books and records (including cash books, invoices and receipts) to be kept for a specified period of time, dependent on the type of charity and the jurisdiction.

27. Governing bodies should be aware that former trustees remain responsible for decisions taken while they were in office and the relevant charity regulator can make enquiries about any actions they have taken including after their charity has been wound up or dissolved.

28. If the museum is merging with another charity, the governing body must follow [the guidance on mergers](#) set out by the Charity Commission in England and Wales, [Office of the Scottish Charity Regulator guidance](#) in Scotland or the [Charity Commission Northern Ireland](#), as appropriate.

29. Charitable companies that are closing may have particular obligations under company law and must inform Companies House of their closure.

Communicating closure

30. Museum closures tend to cause a high degree of press and public interest. A thorough communications plan for both internal and external stakeholders is essential. This should have an ethos of 'transparency where possible' at its heart. It should share information in a timely manner and as clearly as possible. Where these plans include a formal public consultation, they should refer to the public sector Equality Duty, as described above. Where a public organisation is involved in a museum's closure, the governing body should take into account the possibility that documents and correspondence may be subject to freedom of information requests.

31. The governing body should prepare a statement or press release, based on the overall plan for closure, which outlines:

- the reasons why closure is the only possible option - and evidence that all other options have been exhausted
- how the closure will impact on visitors and the broader public
- how the closure will impact on staff and volunteers
- what will happen to collections
- what will happen to the museum site
- what will happen to partnerships and other museum activities.

32. The governing body should take responsibility for communicating the closure of the museum and should appoint a spokesperson on matters concerning closure. In most circumstances, this should be a senior member of the governing body.

33. Staff and volunteers should receive messages directly from their organisation prior to any public announcement and not through third parties.

34. The governing body should carefully examine any 'last-minute' offers from third parties willing to take over the running of a service before commenting on them publicly.

Staff and volunteers

Planning for closure

35. The announcement and process of closing a museum can be extremely distressing for staff and volunteers who often have a huge personal and emotional investment in the museum. Closure can occur due to a range of internal and external factors and does not imply a failure on their part.

36. When a governing body is communicating the closure to staff and volunteers, it should ensure that they receive information about closure directly from their organisation prior to any public announcement and not through third parties. This should include clear information about the impact on employment.

37. The governing body must comply with relevant employment law, and should work closely with recognised unions to ensure a fair outcome for staff. Further guidance on redundancy and the law is available from [ACAS](#).

38. Where possible, the governing body should seek to identify alternative sources of employment for staff, and provide support, training and development opportunities. The MA's [Benevolent Fund](#) and wide range of [training and mentoring](#) services may be useful in these circumstances.

39. Staff should have opportunities to discuss concerns about closure and employment issues with their manager on a one-to-one basis.

40. It is important to map particular areas of expertise amongst staff and volunteers and to consider how to prevent the loss of important knowledge.

41. Upon closure of the museum to the public, some museums have held an event to ensure that staff, volunteers, audiences and others are thanked for their contributions to the museum.

Red House Museum in Kirklees held a farewell event to mark the closure of the museum in December 2016, and to celebrate the work of the staff and the Friends Group.

Managing collections

42. The future of collections will be one of the key questions that a museum will face during the process of closure, and is likely to be one of the most contested issues.

43. Museums facing closure should work in accordance with the Code of Ethics for Museums when considering the future of their collections. They should continue to:

- maintain collections for current and future generations
- care for collections with transparency and competency to generate knowledge and engage the public with collections
- treat museum collections as cultural, scientific or historic assets, not financial assets.

44. The governing body will face a range of scenarios for the future status of the collection.

- **Continued ownership of the collection by the governing body.** The collection could be housed at another site under the governing body's care, such as another museum, a non-museum public building, or in storage. Continued ownership is particularly common in cases where the governing body has responsibility for multiple museum sites and other publicly accessible sites, such as a local authority or large charitable trust. The organisation should take into account the need to provide continuing collections care and public access to the collection when making a decision on where to retain the collection. It should also take into account any conditions relating to bequests and donations.

- **Disposal of all or part of the collection by the governing body.** The governing body may choose to dispose of its collection by transferring legal title and possession of the collection to another museum or public organisation. In such cases, the museum should carefully consider the guidance set out in the MA's **Disposal Toolkit**, the legal issues set out in the **Guidance on Curatorially Motivated Disposal**, and should take into account the need to provide continuing public access to the collection when determining the future ownership of the collection. It may also be appropriate under some circumstances to return items to their original donors, but museums should ensure that they always take into account any conditions relating to bequests and donations. They should also make special provisions for the transfer of 'born digital' collections. Local authorities should be aware that the Public Libraries and Museums Act 1964, which applies in England and Wales, enables them to enter into agreements with other local authorities to transfer museums or galleries and their collections between them.

- **Financially motivated disposal.** The governing body may want to sell some items from the collection to settle debts. However, given the wider ethical issues relating to financially motivated disposal from collections, any governing body wishing to pursue this course of action should exercise great caution and should follow the MA's **Disposal Toolkit** and **Additional Guidance on Financially Motivated Disposal**. They should also consult with the MA's ethics committee and Accreditation assessing body at the earliest opportunity.

Managing collections

Balfour Museum of the Hampshire Red Cross

appointed a project curator to carry out a responsible disposal process for its collections in a 12 month fixed term post after the museum closed its doors. This project was a successful example of an experienced collections management professional working alongside existing collections volunteers. The project consisted of:

- a retrospective documentation exercise
- contacting donors with the option to return items
- working closely with the British Red Cross Museum and Archive
- contacting other Accredited museums directly/ using local museum networks, SSNs and Find an Object
- approaching other relevant public bodies
- destruction of items that could not be placed in an Accredited museum which bore the Red Cross symbol (a legal issue)
- scrap items/ specialist disposal- e.g. oxygen cylinders
- Donors were informed when new homes were found for items.

In total...

- 5,779 items were transferred to 61 museums
- 917 items were transferred to the British Red Cross Museum and Archive
- 757 items were returned to donors
- 244 items went to other Red Cross departments
- 65 items were sold at auction
- 51 items were transferred to other public bodies
- a significant number of items were destroyed in line with legal requirements on the use of objects bearing the Red Cross symbol.

- **Liquidation.** In a limited number of cases involving independent museums, a museum can go into liquidation. In these cases, the museum is forced to relinquish control of its collections to a liquidator and no longer has a legal right to determine the future of the collections. However, the **Insolvency Practitioners Code of Conduct** requires practitioners to acquire knowledge about the industry they are working in and to consult with experts. On this basis, the governing body should attempt to enter into negotiations with the liquidator to ensure that the collections are held in suitable storage, and should discuss the possibility of making items available to other museums or to their original donors. Any details of discussions with the administrator should be recorded. Museums should alert sector organisations in these cases, particularly where items are to be sold. For an independent museum to avoid this scenario the governing body would have needed to have taken steps to separate ownership of its collection from the body which operates the museum.

Managing collections

A small independent museum which went into liquidation discovered that its collection was being held by the liquidator in unsatisfactory conditions and much of the collection was scheduled to be sold off as scrap. The nearest local authority museum service intervened to request access to the collection so that it could be adequately documented and cared for. It also argued that the liquidator should return much of the collection to its original donors, given that much of the collection was donated by the local community and was of low financial value. (Case ongoing at the time of publication.)

45. Museums that have announced closure will face questions about the possible disposal of collections. Even in cases where there is no plan to dispose of collections, there is often a widespread assumption in the public and the press that disposal will take place. If a museum closure does not involve disposal, this should be communicated publicly at the earliest opportunity.

46. To adequately manage a collection during a period of closure it is important that a museum has the fullest possible documentation of its collections. Time will be needed to complete the documentation of the existing collection to establish as far as possible the ownership of remaining collections. It should identify where items are owned outright by the governing body, or are subject to a separate trust, or where objects have been received on loan. The existing [Accreditation guidance on collections](#) and [SPECTRUM collections management procedures](#) are useful in this situation. Collections information will contain intellectual property and needs to be managed in accordance with [Data Protection and Asset Disposal Legislation](#).

47. Loans are one of the most challenging collection areas to deal with during the closure process. The museum should identify where items it owns are out on loan to other organisations, and where items in its possession are on loan from other organisations or individuals. The governing body should ensure that loans out are included in the museum's wider collections review, and that suitable new homes are found for them. Lenders to the museum should be contacted at the earliest opportunity to discuss options for return of their property.

48. External funding provided to the museum for collections or specific items in the collection may require review and assessment. In some cases the grant giver is entitled to ask for its return.

49. Closure decisions often result in a major project to pack and relocate collections even if no disposals are intended. This requires an investment in staff (and volunteer) time and resources and training for packing, moving and possibly storage.

50. Whatever the final destination of a museum collection, all museums facing closure will have to decide whether a museum collection should be held in its entirety, or broken up and dispersed to a variety of different locations and owners. Most collections are the result of the careful curation of a range of items and when maintained collectively they add understanding and context to their field. Museums facing closure should make an effort to ensure that their collections will continue to be held together so far as possible. However such considerations should not outweigh the ethical imperative for items in a collection to continue to be accessible to the public in their new setting.

Partnerships and other contracts

51. Many museums have thriving partnerships with third party organisations. These can relate to museum funding, outreach, education programmes and business relationships. As a museum goes through the process of closure, it should bring these partnerships to a close in an orderly way. In some cases, this can involve substantial costs and disruption to planned events.

52. External funding provided to the museum for a range of activities, such as capital development, collections or programming may require review and assessment; in some cases, the grant giver is entitled to ask for its return.

53. Museums may have outstanding contracts with a variety of businesses and partners. All outstanding debts and liabilities should be settled before closure.

54. If there are insufficient funds to pay all outstanding debts and other liabilities, legal advice must be sought. One creditor must not be intentionally preferred over another. Legal advice is particularly important because, if changes are made which are not legally valid or do not have the anticipated effect, the trustees may be personally liable to make compensation.

Museum buildings and sites

55. Museum buildings are hugely diverse in type and in ownership and in many cases are listed or protected as scheduled monuments. All museum buildings and sites require ongoing protection, insurance and upkeep, often at substantial cost, long after the museum has closed its doors to the public. At the point of closure, the museum's governing body remains liable for the museum building and site until such point as they are transferred to new owners or tenants.

56. Following closure to the public some museums are able to hand sites or buildings back to local authority property departments for alternative use, for public access, for sale or to be maintained to some degree.

In 2015 Bexley Heritage Trust faced the withdrawal of local authority funding which resulted in the closure of **Danson House** as a museum. It returned management of Danson House to Bexley Council, which decided to repurpose the building as the Register Office, which aligned with the building's status as a popular site for weddings.

57. Local authorities may decide to dispose of museum properties via sale or they may decide to transfer responsibility for the property to an external organisation. This could take place via **Community Ownership** (in Scotland) or via **Community Asset Transfer** (in England, Wales and Northern Ireland). This involves transfer or sale at a substantial discount where a community organisation can continue to use the building and/or site for public benefit. The governing body may wish to dispose of museum properties and all their associated costs. However, they should consider whether the transfer body is sufficiently resourced and supported to take on this level of responsibility. This is especially true in the case where the transfer organisation has recently formed to save the museum building. Given the substantial cost of maintaining a museum building and the pressures associated with generating income, governing bodies should consider whether they could contribute to a portion of these costs as a way of reducing the burden on transfer bodies. Governing bodies should also consider signposting transfer organisations to relevant external funders.

58. Local authorities or charitable trusts may decide to sell museum properties on the open market. This can be a long and complex process, particularly where listed and unusual buildings are concerned. Local

Wakefield Council chose to sell the Grade II listed **Clarke Hall** in 2011. This took five years and required onsite security to care for the building in the intervening period. The sale of the building was completed in 2016.

authorities should also consider the role of museum properties as public buildings and the role these buildings play in the community's life before sale on the open market.

59. In instances where public bodies decide to sell museum properties on the open market, they should bear in mind the provisions of **The Localism Act 2011** (England and Wales), and the **Community Empowerment (Scotland) Act 2015**. These enable groups with a connection to the community to nominate the museum as an '**asset of community value**'. These assets may be land or buildings, public or private (excluding residential property) and once listed, community assets are placed on a list that the local authority is legally required to maintain. Groups may nominate assets to pre-empt a sale, or as a reaction to a proposed sale. Once listed, should the local authority wish to sell the museum property in question, it is legally required to grant community organisations a moratorium period to enable them to develop plans and

raise funds to bid for the asset in order that community use is maintained. Governing bodies should signpost groups to organisations that provide funding for preparing asset transfer projects such as **Locality**. The group does not have first refusal, but governing bodies should be mindful of these provisions as when used they can make the process of closure and withdrawal of funds long and complex.

60. Where sites and buildings are owned by a landlord, the museum will need to terminate its lease and return the site to the landlord. Legal advice and surveyor's advice is essential when a museum terminates a lease or substantially varies the use of a building. Many museums facing closure have encountered legal difficulties in original leases that have further complicated the closure process.

61. A museum site may also include a listed building or a scheduled ancient monument, which can further complicate the closure process. The governing body must discuss with the relevant planning authority of any intention to sell, alter or otherwise dispose of a museum building or property that is subject to listing or scheduling.

Non-collection assets

62. Non-collection assets, such as display cases, IT equipment, shop stock and other items also have to be disposed of during the closure of a museum. Assuming that the assets have no cultural value, this is more straightforward than finding a new home for museum collections, but also requires planning and resources.

63. It is important to carry out an inventory of the assets belonging to the museum prior to disposing of them. In many local authorities this will be standard procedure but all museums should take time to clearly establish the assets that they hold.

64. In local authority services or larger charitable trusts where relatively small museum sites are closed, non-collection assets can be reabsorbed back into the wider museum service. Where larger museum sites have closed, local authority asset management teams often deal with disposal of large or high value item such as IT equipment and furniture in line with established corporate procedures.

65. Where a museum team has been given responsibility for the disposal of assets by the governing body, it is advisable to make these available to other museums - particularly specialist equipment such as storage racks and display cases. This can be done via the museum's own networks or via online resources such as [Find an Object](#) and [Museum Freecycle](#). Museums can also choose to transfer assets such as play equipment to local public bodies or charities.

66. In cases where a local authority museum's assets are being transferred to a newly created community organisation via [Community Asset Transfer](#), objects and equipment can be included as a donation or can be sold to the new organisation at a discount.

Abbot House Museum in Dunfermline was legally obliged to sell as much non-collection equipment as possible, including kitchen and café equipment, to clear its debts whilst ensuring that any material that had come to them via a charitable gift was given to other local charities.

67. It is often difficult to unravel local authority IT systems for community asset transfer. A new IT system is usually needed by a successor body, but in some cases local authorities can assist with hardware.

68. Insolvency will mean that non-collection assets are controlled by an administrator who will have the power to sell or otherwise dispose of the property. In some cases other museums have negotiated to purchase these assets in order to grow their own operations or to expedite the re-opening of a museum under a new operator.

IT and data

69. Most museums hold data relating to their staff, volunteers, audiences, users and partners. The governing body is responsible for continuing to ensure data security. The Data Protection Act imposes a range of responsibilities on organisations to protect personal data relating to staff, volunteers, audiences or partners – including marketing data. The governing body must ensure that any data held by the museum is handled in accordance with the Act. It may be useful to consult with a data protection expert in cases where the governing body is unsure how to proceed. Further guidance on data protection is available from [the Charity Finance Group](#).

Cornwall Geological Museum in Penzance was run by the Royal Geological Society of Cornwall. It closed in the early 2000s after it ran into financial difficulties mainly deriving from the rising costs of an old building. Internal disputes also contributed to the museum's decline.

By 2003 much of the museum's ancient library had been sold off and the majority of the specimen collection was transferred to the British Geological Survey (BGS) in Nottingham, far away from its original home at the Cornish Mining World Heritage Site. However, crucially, the collection records were saved as part of this transfer. They were digitised and are now available via the BGS website as part of the National Geological Repository.

70. In many closures, data relating to a former museum is retained by the governing body or parent organisation. Some information, such as collections records, can be shared with a successor organisation, but it is important to take advice from a data professional where the sharing of personal data is concerned.

71. Advice from staff who understand information systems, collections records and their value is essential for planning any information transfer.

Leaving a legacy

72. It can be difficult to think about leaving a positive legacy and finding new ways to deliver a museum's mission during the process of closing a museum. However, many museums do manage to take action to ensure that they continue to have an impact after they have closed. In some cases, a level of access can be maintained or museums in the remaining service can be improved.

Bexley Heritage Trust worked with the local authority and their volunteer group to ensure that public access was maintained (albeit at a reduced level) to **Danson House** when it was converted to the Register Office.

Clarke Hall Education Museum had been the focus for education work across the museum service in Wakefield. The process of closing led to better integration of education staff into the museum service and encouraged better team working. The closure and subsequent restructure was the catalyst for a reinvigoration of the main museum site.

73. In some cases closure can be the spur for renewed interest in the work and subject matter of a museum. Engaging with new stakeholders and partners can give collections a new lease of life.

Durham Council created a detailed plan to move **Durham Light Infantry Museum's** collections to a new, accessible collections resource centre and to later establish a new exhibition centre in the heart of Durham through a formal partnership with Durham University.

Community asset transfer and working with new community groups allowed the delivery of new museum services in **Lincolnshire, Rossendale, Stoke and Cynon Valley**.

Further museum resources

The MA's Code of Ethics for Museums is available online at:

www.museumsassociation.org/ethics/code-of-ethics

Museums Development Network contacts:

www.museumdevelopmentnetwork.org/

Accreditation Standard and supporting guidance is available online at:

www.artscouncil.org.uk/supporting-museums/accreditation-scheme-0

Collections Trust fact sheet: Disposing of Objects You May Not Own:

<http://collectionstrust.org.uk/resource/disposing-of-objects-you-may-not-own/>

The MA's advice on sale as a financially motivated disposal:

www.museumsassociation.org/collections/sale-of-collections

Accreditation Assessing Organisations (AAOs):

Arts Council England:

www.artscouncil.org.uk

MALD: Museums, Archives and Libraries Wales, a division of the Welsh Government:

www.gov.wales/topics/culture-tourism-sport/museums-archives-libraries/?lang=en

Museums Galleries Scotland:

www.museumsgalleriesscotland.org.uk

Northern Ireland Museums Council:

www.nimc.co.uk

General resources

Consultation:

HM Government Code of Practice on Consultation:

www.gov.uk/government/uploads/system/uploads/attachment_data/file/2637/annex-b.pdf

Charities:

“Managing a charity’s finances: planning, managing difficulties and insolvency” (2016)

www.gov.uk/government/publications/managing-financial-difficulties-insolvency-in-charities-cc12

“How to close a charity”

www.gov.uk/guidance/how-to-close-a-charity

“Permanent endowment: rules for charities”

www.gov.uk/guidance/permanent-endowment-rules-for-charities#how-to-transfer-permanent-endowment-to-another-charity

The Charity Commission for Northern Ireland: “Mergers and Closures Guidance”

www.charitycommissionni.org.uk/manage-your-charity/mergers-and-closures/

OSCR: “Dissolving your charity: seeking OSCR’s consent”

www.oscr.org.uk/media/1589/dissolving-your-charity.pdf

Companies:

Closing a company:

www.gov.uk/topic/company-registration-filing/closing-company

Liquidation and insolvency:

www.gov.uk/government/publications/liquidation-and-insolvency

Liquidation and insolvency: companies in Northern Ireland:

www.gov.uk/government/publications/liquidation-and-insolvency-companies-in-northern-ireland

Liquidation and insolvency: companies in Scotland:

www.gov.uk/government/publications/liquidation-and-insolvency-companies-in-scotland

Scheduled monuments:

DCMS guidance “Scheduled Monuments & nationally important but non-scheduled monuments” (October 2013)

<https://content.historicengland.org.uk/content/docs/guidance/scheduled-monuments-policy-statement-dcms>

Historic Environment Scotland, “Scotland’s Scheduled Monuments 2016.”

www.historicenvironment.scot/archives-and-research/publications/publication/?publicationId=c7168c5a-cd70-4887-bdfb-a63300ac10e6

Department for Communities:

www.communities-ni.gov.uk/articles/scheduled-monuments

Ethics Code for Insolvency Practitioners

The Ethics Code can be found at the website for the Insolvency Practitioners Association.

www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code

Complaints can be made via the Complaints Gateway regarding the conduct of an insolvency practitioner regulated by the Insolvency Practitioners Association; the Institute of Chartered Accountants in England and Wales; the Association of Chartered Certified Accountants; the Institute of Chartered Accountants of Scotland; the Institute of Chartered Accountants in Ireland and those insolvency practitioners regulated by the Secretary of State.

www.gov.uk/complain-about-insolvency-practitioner

Insolvency Enquiry Line:
insolvency.enquiryline@insolvency.gsi.gov.uk

Telephone: 0300 678 0015

The guidance in this document has been prepared by a steering committee consisting of: Alistair Brown, MA, Isabel Wilson, ACE, Alex Bird, Museum Development North West, Janet Ulph, University of Leicester, Jacob O’Sullivan, MGS, Lesley-Anne Kerr, MALD, Heather Broughton and Jane Arthur, museums and heritage consultants, and Bethany Rex of Newcastle University, and with the support of the MA’s ethics committee.

