

MUSEUMS
ASSOCIATION

CUTS SURVEY 2015

December 2015

www.museumsassociation.org

CONTENTS

Introduction	03
Key findings	05
Income	06
Public services	08
Closures and charging	09
Areas of work	10
Staffing	11
Unpaid roles	12
Disposal	13
Governance	14
Longer term	15
Conclusion	16

INTRODUCTION

Over the past five years museums across the UK have been hit by unprecedented cuts to public funding.

The Museums Association (MA) has been monitoring the impact of public funding cuts year-on-year since its first cuts survey in 2011* and has documented over a five-year period how reduced funding levels have affected multiple aspects of museums' work and services.

This year's survey shows that museums are enjoying substantial success in attracting visitors. Of the survey's 115 respondents, 61% report an increase in visitor numbers year-on-year. However, the wider picture shows there is real cause for concern about the health of the sector. This year's survey is published following a summer that saw strike action against the outsourcing of jobs and services and high profile closures, including the Snibston Discovery Museum in Coalville, Leicestershire. More recently Lancashire County Council has proposed closing five museums in spring 2016, and several other local authorities are expected to follow suit.

These are not isolated incidents. Notably, 18% of survey respondents said that part of their museum or its branches had closed to the public in the past year or would do so in the coming year. Local authority museums are particularly at risk and have experienced a greater decrease in total income from 2013-14 to 2014-15 than other types of museum. And the funding position of local authority museums is likely to worsen following the substantial cuts to the local government grant announced in the 2015 spending review. Significantly, 12% of respondents reported changing their governance models in the past five years, with many leaving local authority control.

The impact that the cuts have had on frontline, public-facing services has been significant. Some museums have had to introduce charges, reduce opening hours, increase their reliance on volunteers and make changes to the way they are governed as a result. The survey also shows that the cuts are having an impact on free events, temporary exhibitions, school visits and projects that have a social impact.

Museum collections are increasingly at risk – 11% of respondents are considering selling items in their collections to raise funds in the coming year.

Another significant trend is the 'hollowing out' of skills and knowledge in museums, with many respondents reporting that their work relating to learning, outreach, exhibitions, collections management and research had decreased, as museums focus their resources on fundraising and income generation. The loss of key skills and expertise from the sector has been widely reported and is likely to limit the ability of museums to deliver social and educational impact in the long-term.

*for previous surveys see: www.museumsassociation.org/campaigns/funding-cuts/cuts-survey

INTRODUCTION

Background to the survey

Between September and October 2015, the MA asked museum professionals to provide information regarding changes to their budgets, workforces, operational activities, governance and areas of work.

This year's survey collected data from 115 museums across the UK. These museums provide, as far as possible, a representative picture of the complex challenges facing more than 2,500 museums in the UK. For the first time, survey respondents were asked to provide full financial figures on the income they receive from public funding, grants and donations and self-generated income. This allows the MA to gauge how successful different types of museums are at attracting different income streams.

Sharon Heal, director of the MA, says: "This is the fifth annual survey that the MA has conducted and it gives us a better understanding of the impact that continued cuts in public funding are having on museums, galleries and heritage sites. We know from previous research that funding cuts are changing the way museums are managed with many forced to cut jobs, introduce admission charges, reduce opening hours and cut back on other services."

Figure 1.1
Profile of respondents

Nation-Region /Museum type	Independent	Independent - ex Local Authority	Local Authority	National	Other	University	Total
Central England*	13	2	11	0	0	3	29
North of England**	8	4	8	2	0	2	24
South of England***	22	1	8	8	1	1	41
Northern Ireland	1	0	1	1	0	0	3
Scotland	8	0	4	1	0	0	13
Wales	2	0	2	1	0	0	5
Total	54	7	34	13	1	6	115

* East of England, East Midlands and West Midlands

** North East, North West and Yorkshire

*** South East, South West and London

KEY FINDINGS

- **18% of respondents said that part of their museum or its branches had closed to the public in the past year or would do so in the coming year.**
- **8% of respondents introduced charging over the past year, and 12% said they would do so in the coming year.**
- **12% of respondents have changed their governance model in the past five years.**
- **11% said they would consider financially motivated disposal in the coming year.**
- **61% of respondents surveyed reported an increase in visitor numbers.**
- **45% of respondents said they had increased the number of unpaid staff, compared to 32% the previous year.**

Fundraising and income generation are a top priority for the coming year with 79% and 77% respectively saying that they will be increasing the amount of work in these areas. More than 60% said that encouraging participation by involving people and communities in the work of the museum was a priority.

Local authority museums experienced the highest year-on-year reduction in total income, which fell by 2%. This breaks down into a 1% fall in public funding, a 3% fall in self-generated income and a 2% increase in grants and donations. The cumulative impact of local authority cuts is having a devastating impact, and is starting to threaten museum buildings and collections, as one respondent described.

“Planning for a 52% further cut in budget by 2017, meaning that total cuts since 2010 -2017 are 69%. We are highly likely to lose museum buildings by 2017 and rationalise collections significantly so that storage costs are reduced.”

Local authority museum, Yorkshire

Over four years

- The MA's cuts survey has reported year-on-year findings since 2011.
- These reveal that:
 - Staff numbers decreased at 24% of responding museums in 2015, 53% in 2014, 37% in 2013, 42% in 2012 and 51% in 2011.
 - Total income had decreased for 47% of respondents in 2015, 52% in 2014, 49% in 2013, 32% in 2012 and 58% in 2011.

In the coming year

The data suggests that the year ahead will see more museums having to make difficult decisions relating to charges, closures and financially motivated disposal. Notably, 12% said they would introduce charging, 12% said that part of the museum and its branches will close in the coming year and 11% said they would consider financially motivated disposal.

The top three priorities for respondents in the coming year are fundraising, income generation and encouraging participation with 79%, 77% and 61% respectively saying they will increase work in these areas.

INCOME

How has income changed in the past year?

The findings showed that overall public funding decreased by 2% and income from grants and donations fell by 4%. However self-generated income increased by 6%, suggesting that museums are fighting tooth and nail to mitigate the worst of the cuts by exploring new commercial opportunities, boosting retail sales and maximising the value of their buildings and collections. Overall there was no reduction in respondents' total income, but this masks the substantial difference in the fortunes of different types of museums, which are examined in greater detail below.

Comments from respondents reflect the mixed fortunes of museums, illustrating that some are struggling to make ends meet, while others have a more positive story to tell.

"Increased income targets, recruitment freeze and budget cuts. Renewed focus on income generation, partnership working and volunteering."

Local authority museum, Scotland

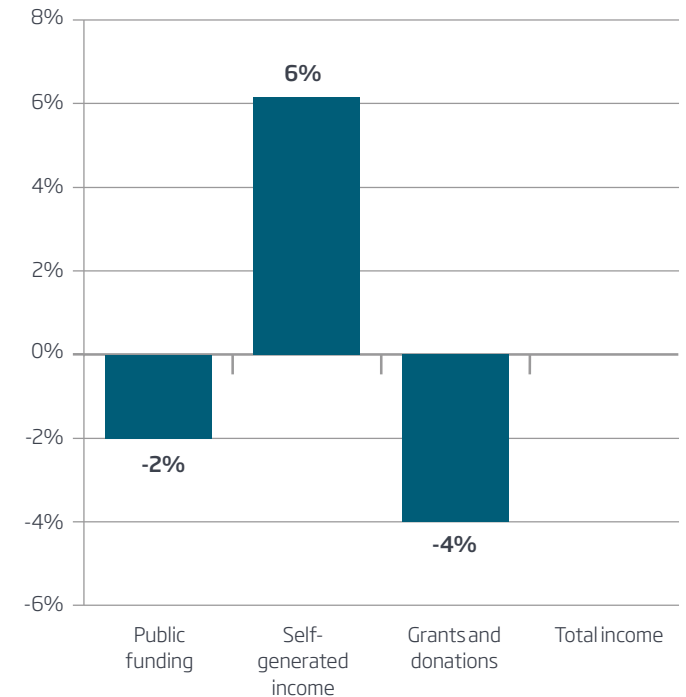
"Investment in income generating facilities to support sustainability."

Local authority museum, East Midlands

"Museum held its first ever temporary exhibition resulting in a 22% increase on visitor numbers and associated income. Museum also received a HLF grant to redevelop the site."

Independent museum, East of England

Figure 1.2
Changes to funding over the past year for all museums



INCOME

The survey data shows that some types of museum have fared better than others between 2013/14 and 2014/15. Total income has fallen for local authority museums, nationals and independent museums, which reported year-on-year decreases of 2%, 1% and 1% respectively. This continues the trend of declining funding reported by the cuts survey for the past five years. Those in the best financial position are independent museums (formerly run by local authorities), which saw a 3% increase in total income. Meanwhile university museums experienced no change to total income.

Data relating to income that is self-generated and derived from grants and donations also paints a varied picture. National museums are the most successful at boosting revenue with self-generated income, followed by independent museums (formerly run by local authorities), university museums, independents and local authority museums. Meanwhile, independents that were formerly run by local authorities received the biggest increase in income from grants and donations, followed by independents, universities and local authorities.

Some respondents said sustained cuts meant they were already operating skeleton services and had reduced their public offer. Others spoke of low staff morale, falling visitor numbers and recruitment freezes. Some report a more stable situation.

"Massive reduction in marketing [has had] huge impact on footfall; very low staff morale; reduced projects; no active collecting; poor relationship with Friends group due to low staff capacity."

Local authority museum, East Midlands

"Cut to the bone already. Only spend money when necessary."

Independent museum, Scotland

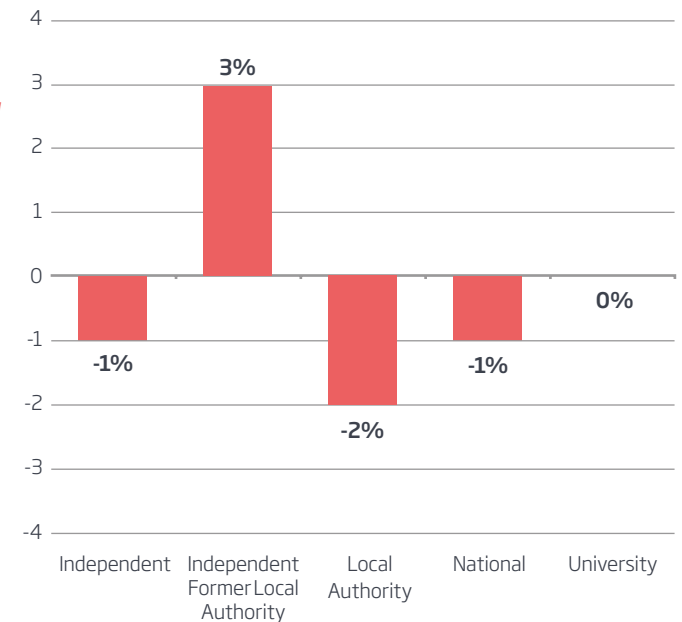
"Strong visitor and income figures have offset small drop in public funding."

Independent museum, North East

"We are seeing steady growth in attendances, which is governed very much by the global tourism industry and climate."

Independent museum, East of England

Figure 1.3
Changes to total income over the past year by museum type



INCOME

The survey shows that public funding for museums is falling more in some areas of the UK than in other areas. Museums in Northern Ireland and the North of England (North West, North East and Yorkshire) suffered most between 2013/14 and 2014/15, reporting a 6% and 5% year-on-year decrease in public funding respectively. Wales and the South of England (London, South East and South West) reported decreases of 2% and 1% respectively, while Scotland and Central England (West Midlands, East Midlands and East of England) reported no overall change.

Respondents from all areas of the UK spoke of the strain that public funding cuts were having on their organisations:

“Responsible for four museums, which are now merging as part of local authority reorganisation. Organisation is restructuring, staff losses and new job descriptions. So far services relating to the collection and the public are being maintained despite decreasing morale across the organisation. Uncertainty is increasingly affecting all staff.”

Local authority museum, Northern Ireland

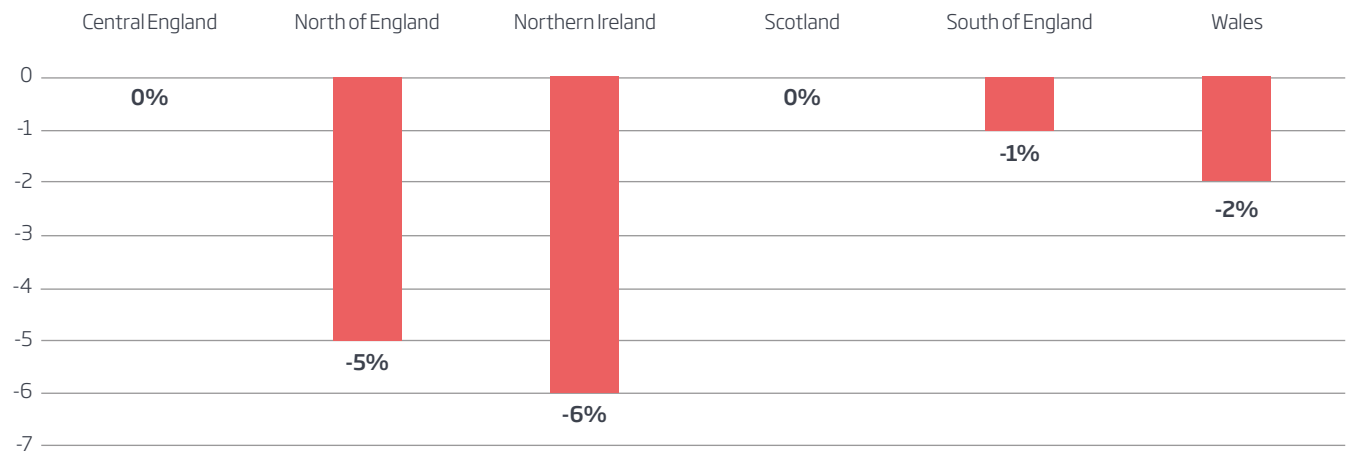
“The council stopping the grant of £12,000 and introducing a bidding system instead is a big concern. The uncertainty does not allow us to plan ahead.”

Independent museum, Scotland

“Reduction in revenue is affecting the delivery of the service.”

Independent museum, North West

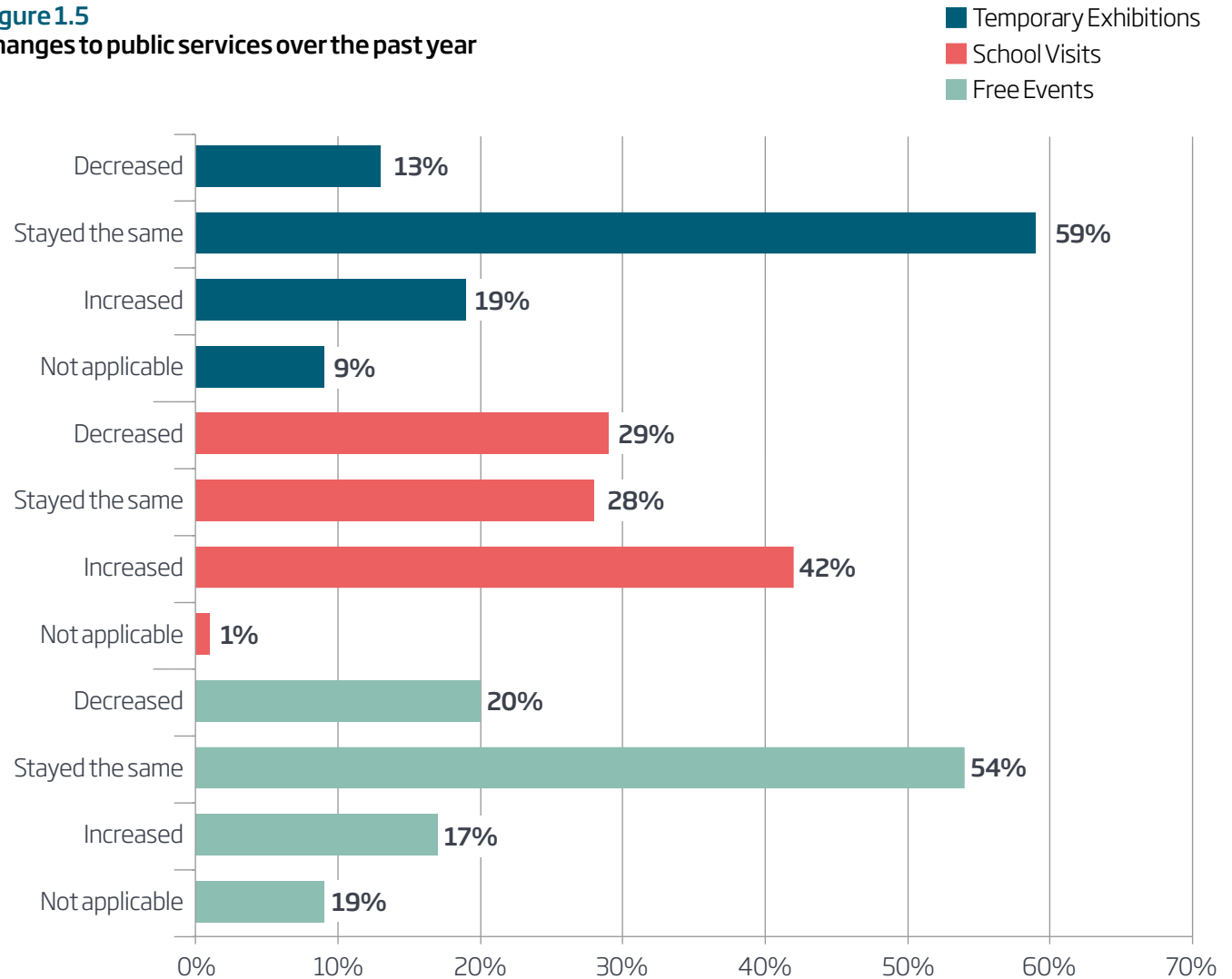
Figure 1.4
Changes to public funding over the past year by area



PUBLIC SERVICES

Although maintaining public services remains a priority, 13% of respondents have decreased temporary exhibitions, 29% have seen a drop in school visits and a fifth are providing fewer free events. But museums are trying hard to protect core public-facing services with 59% maintaining the same number of temporary exhibitions and 42% increasing the amount of school visits.

Figure 1.5
Changes to public services over the past year



CLOSURES AND CHARGING

Sustained funding cuts are coming at a time when museums are at their most valued. This year's survey indicates that visitor numbers have risen substantially, with 61% of respondents reporting an increase.

Against this backdrop museums are still being forced to make difficult decisions that could impact on the quality of the service they provide.

Worryingly, 10% said part of the museum or its branches had closed to the public in the past year and 12% said that this would occur in the coming year. And 8% introduced charging over the past year, while 12% said they would do so in the coming year.

In the past year museums have also been forced to cut back on free services with 20% saying that free events had decreased, while 54% said they had stayed the same and 17% said they had increased.

"We have had to reduce opening times so that we can reduce our operating costs. We have also reduced our public programme so that we do fewer but bigger events. We have also become a lot more commercial and our galleries are being used for corporate events more than before."

Independent museum, East Midlands

"We've tried to mitigate the impact of major cuts in local authority funding by introducing new charging structures and a membership scheme. However, significant savings in expenditure have also been required."

Independent museum, Yorkshire

"We do not charge for any events and believe everything we do, within reason, should be free of charge."

University museum, East of England

"If any cuts are severe enough then all museums are likely to have to consider a reduction in programmes, closure of some parts or partial closure and the possibility of charging."

National museum, London

"I expect we will be looking at closures of some description, perhaps seasonal or possibly complete closures. Charging for sites we don't charge for now is obviously a possibility, but our predominant audience is local, and not tourists."

Local authority museum, Yorkshire

"We are likely to need to close buildings by 2017, but the detail and confirmation on this is still to be defined."

Local authority museum, Yorkshire

"As a newly reorganised and amalgamated council from four into one, the museum is currently prioritising budgets and structure. There will be significant changes ahead with reduced budgets. How that will impact is too early to say."

Local authority museum, Northern Ireland

"We have already made charges on some events and our learning programmes."

Local authority museum, Wales

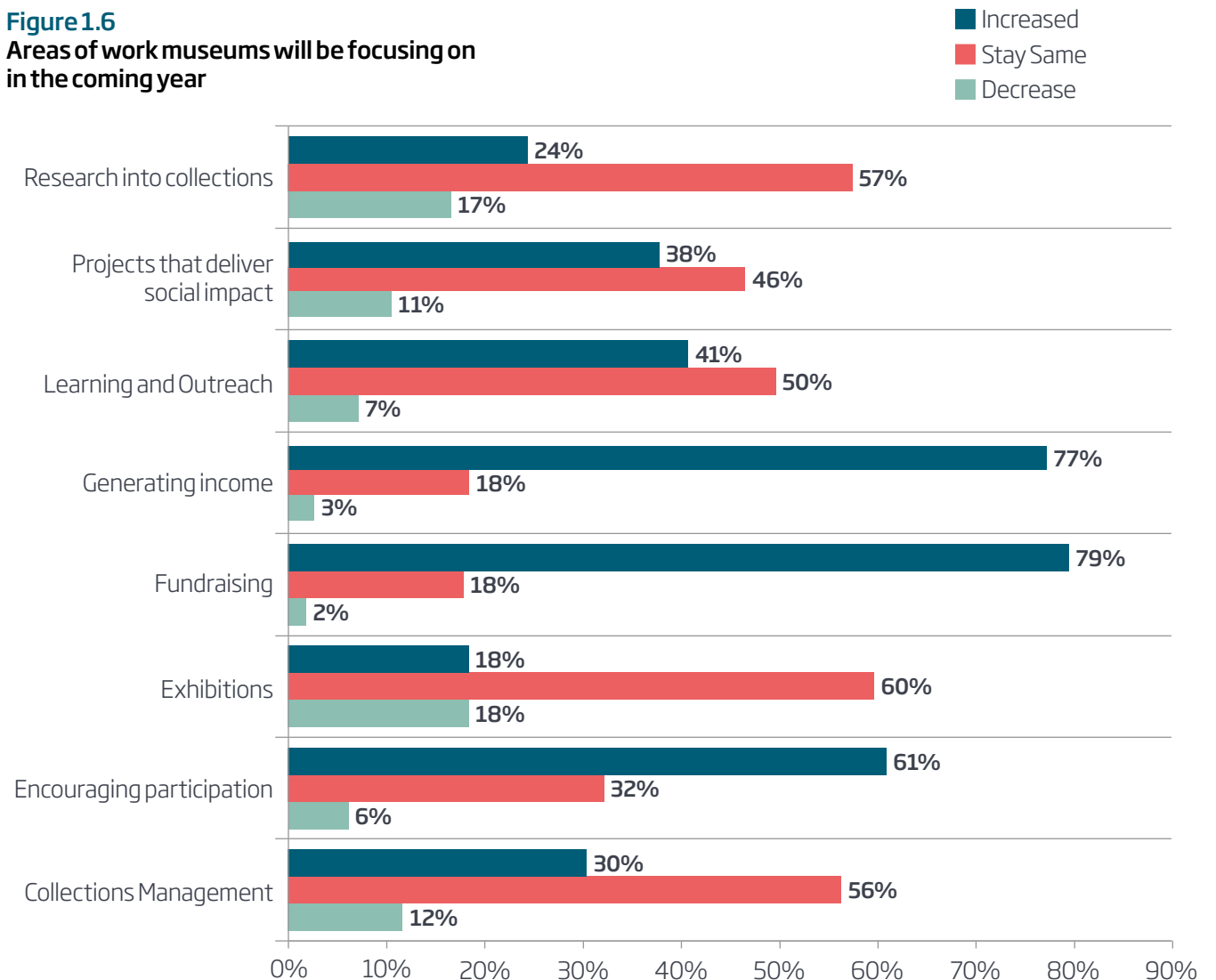
AREAS OF WORK

The survey asked respondents to comment on the areas that their organisation will be doing more, less or the same of over the coming year. As with previous surveys, this year's results show that fundraising and income generation are a top priority with 79% and 77% respectively saying that they will be increasing the amount of work in these areas.

Encouraging participation (61%) by involving people and communities in the work of the museum is the next highest priority, followed by learning and outreach (41%) and projects that deliver social impact (38%). These results show that despite the funding challenges they face, museums are striving to protect areas of their work that will increase their public value and connection to their communities.

Interestingly, however, the findings suggest, that collections based work is less of a focus. Almost a fifth (18%) of respondents are planning to do less work on exhibitions, 17% less on research into collections and 12% less on collections management. While these figures are not as high as last year, they do chime with respondents' comments that staff cuts are resulting in a loss of knowledge and expertise.

Figure 1.6
Areas of work museums will be focusing on in the coming year



STAFFING

Previous surveys have demonstrated that there have been substantial staff cuts across the sector. This year, however, the data suggests a slow down in staff cuts with a significant percentage of respondents reporting an increase in the numbers of full time staff.

Of those surveyed this year, almost a quarter (24%) reported a decrease in full-time equivalent staff, 27% reported an increase and 49% said the number of roles had stayed the same. In comparison, the cuts survey in 2014 found that more than half (53%) reported a decrease, 32% said staff levels remained the same, while 12% reported an increase in the numbers of full-time staff. After several years of staff cuts, many respondents this year have raised concerns about the loss of skills and expertise and the impact this is having on the quality of the museum's work. The comments also show that there is a high demand for roles that contribute to financial resilience, commercial development and fundraising.

"We appointed a commercial director to increase self-generated revenue."

Independent museum, London

"Staff are already stretched and increased workloads may have an impact on the quality of work being done."

University museum, East of England

"We went through a staff restructure in 2014-15, strengthening marketing and exhibition capacity. There has been a reduction in curatorial expertise with the increase in generalised roles. The museum is now adapting to reduction in public sector and grant investment in 2015-16 and in the future."

Independent museum, South West

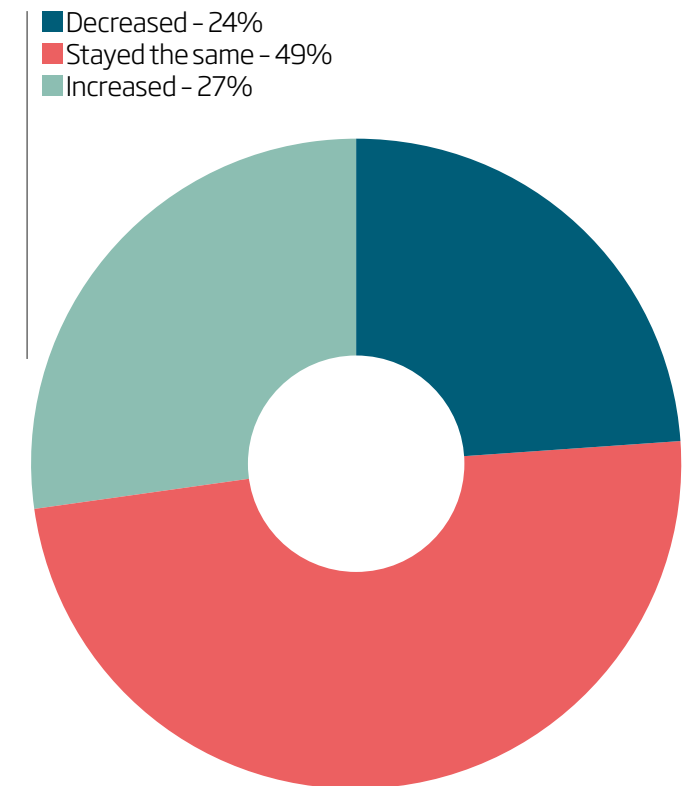
"Staffing levels now considered at the basic minimum for keeping the doors open as before."

Independent museum, South West

"Further funding cuts at unsustainable levels with an ambitious programme yet to fulfil will inevitably impact on the provision of programmes and pace of development creating additional pressure on staff."

National museum, London

Figure 1.7
Changes to full time staff over the past year



UNPAID ROLES

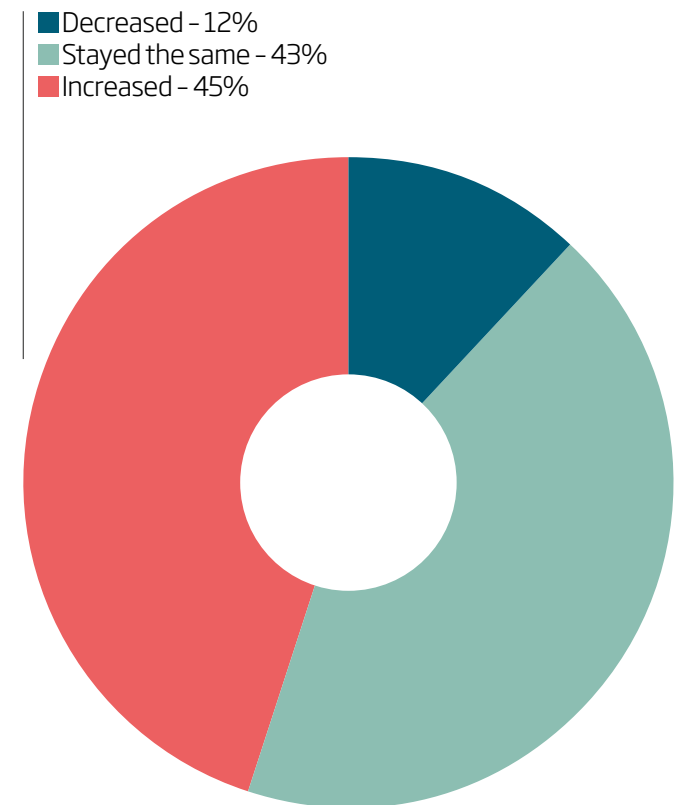
While it is well documented that voluntary work has an important role to play in the cultural sector, there are concerns about voluntary roles replacing skilled staff. This year's survey shows that respondents' reliance on unpaid staff has increased. A large percentage (45%) of respondents reported an increase in volunteers, while 43% said they had maintained the same levels and 12% said they were working with fewer unpaid staff. Last year's figures were 32%, 54% and 14% respectively.

A comment from one respondent revealed that reliance on an unpaid workforce is not without challenges:

"The museum is going from strength to strength but relies on a lot of voluntary effort, which is not always sustainable. People come and go and certain tasks and skills are not replaced by the new volunteers. We are using Arts Council England's resilience funding to help us plan and adapt."

Independent museum, South West

Figure 1.8
Changes to volunteers over the past year



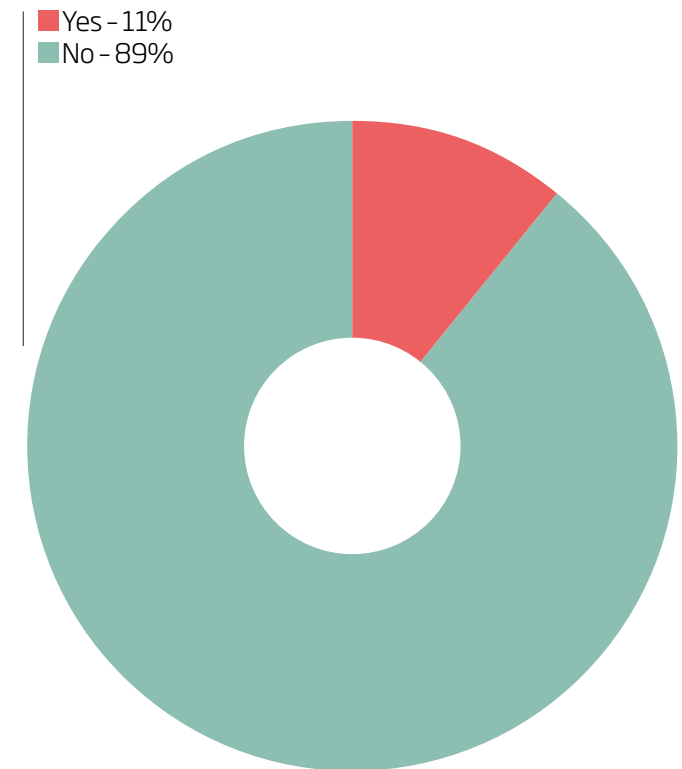
DISPOSAL

The issue of financially-motivated disposal is higher on the museum sector's agenda following the high-profile sale of the Egyptian statue Sekhemka by Northampton's museum service in 2014 - a move that was deemed to be in contravention of the MA's Code of Ethics.

Worryingly the percentage of museums considering financially-motivated disposal looks set to rise. When respondents were asked whether they would consider financially motivated disposal in the coming financial year, 11% said they would. This year's results demonstrate that financially-motivated disposal is a growing issue for a sector facing financial challenges.

The MA's new Code of Ethics, approved by its Annual General Meeting in November, recognises the continued importance of this issue in light of the financial pressure on museums and stipulates that collections should not normally be regarded as financially negotiable assets, other than in exceptional cases where it can be demonstrated that it will significantly improve the long-term public benefit derived from the remaining collection.

Figure 1.9
Museums considering financially-motivated disposal in the past year



GOVERNANCE

In this year's survey, respondents were asked if they had changed their governance model in the past five years. In recent years there has been a trend for local authority museums to move to trust status as part of efforts to cut costs, achieve greater autonomy and make the procurement of services more efficient. The data shows that 12% of respondents have changed their governance models. This breaks down as 3% moving to a trust, 1% moving to a social enterprise and 8% moving to another arrangement, such as a community interest group or mixed model.

A change of governance can be advantageous for tax reasons and can give museums more independence, which, in turn, allows them to respond more quickly to a rapidly changing environment. But becoming independent is not a silver bullet for museums and the associated financial savings are not always realised immediately. In fact some independent museums run the risk of being cut adrift from local authority funding entirely, as one respondent described.

"Loss of all local authority funding from financial year 2015-16 and little prospect of it being reinstated. This has resulted in the introduction of charges to under 4s, who were previously free to enter the museum."

Independent museum, North East

"Attempts to find an alternative and change to trust failed due to lack of quality trustees."

Local authority museum, East Midlands

"The local authority looked at trust status but the museum is too small."

Local authority museum, East Midlands

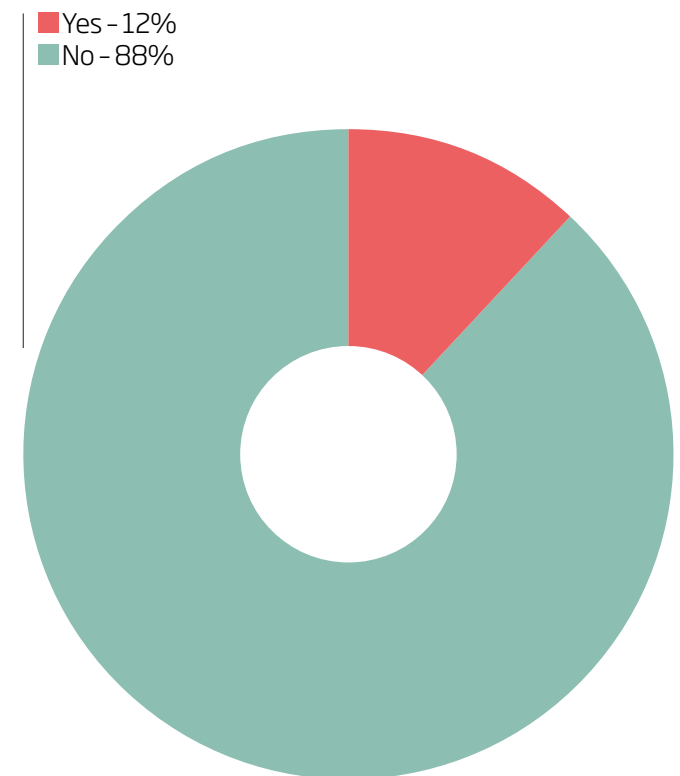
"In 2010 [the museum] became part of a larger charity while retaining its own identity and charitable status."

Independent, South West

"The museum is managed by a leisure trust (contracted service) but the museum and collections remain the property of the local authority."

Local authority museum, South West

Figure 1.10
Museums changing governance models in the past year



LONGER TERM

How will things change for museums in the longer term?

Respondents were asked to explain how they thought things would change at their museum over the next three years. The comments reveal an acute sense of uncertainty about the future. Many of those surveyed expressed concerns about the loss of skilled staff and many say they are unable to offer the level of pay they need to attract the talent required to tackle the challenges ahead.

In some cases deep cuts are likely to lead to closures or threaten the economic or social value of services, with many citing that outreach and community work is likely to be reduced. Worryingly some respondents are already expecting falls in visitor numbers and one raised concerns about their institution's continued relevance at a time when it was forced to cut back on public-facing services. Many are facing tough decisions related to introducing charges, reducing opening hours and how to use an increasingly thin layer of resources.

Museums in Northern Ireland are starting to feel the impact of the reorganisation and amalgamation of local councils with one respondent saying the changes have ushered in challenging spending-reduction targets, changes to management structures and job roles and have put pressure on collections storage.

Another worrying trend is that some independent trusts are reporting that they have been cut off from sources of public funding.

"Closure and redundancy."

Local authority museum, East Midlands

"Further development of the museum's public profile will take place. New funding opportunities will be sourced and these may impact on the breadth of museum activity."

Independent museum, London

"The museum will have to develop robust fundraising and commercial strategies to help balance public cuts."

Independent museum, London

"Reduction in funding will mean a focus on fundraising and commercial activities. We will look to continue to keep access the same but major cuts will have an impact on areas of the operation and programme."

National museum, London

"There is potential for our museum to grow by extending a range of paid-for services."

Independent museum, North East

"Cuts expected between 25% and 40% will mean fundamentally different/reduced service being offered to the public which will impact economic and social values delivered."

Independent museum, Scotland

"The service will have to consolidate and focus on priorities. A review of the estate will be essential as will new ways of working to maximise partnerships, commercial activity and community engagement. Review of opening hours will also take place."

Local authority museum, Scotland

"Continuing decline in visitor numbers and income could lead to redundancies and reduced opening hours/access to collections. Further cuts in public funding could lead to scaling back of education and outreach work. Increasing competition for grants and donations, which will impact voluntary income at a time when self-generated income is being squeezed."

Independent museum, North West

CONCLUSION

This year's results, and the findings of the previous four cuts surveys, reveal that while many museums are standing strong in the face of sustained cuts to funding by creating stronger partnerships with local communities and generating new streams of income, there are significant numbers that face an uncertain future. Closure is inevitable for some, while others are being forced to make decisions that threaten the quality of their work and ultimately their public value. Financially-motivated disposal, admission charges and governance will no doubt continue to be widely debated across the sector as it struggles to find a sustainable way forward.

November's spending review offered some respite for the sector by freezing the budgets of Arts Council England and national museums in England. However it offered less hope for museums run by local authorities, and there is also concern regarding the budgets of national museums in Northern Ireland, Wales and Scotland. The MA is deeply concerned about the impact of these cuts on the UK's civic museums and the huge number of people that visit them. Unfortunately the creeping trend of closures, reduced hours and charges highlighted by this year's survey is likely to gather pace in 2016.

Sharon Heal, director of the MA, said that although many museums had worked incredibly hard in difficult circumstances to increase their earned income while serving growing audiences it was worrying that local museums could be hit hard by a new round of local authority cuts. "Museums that serve local communities deliver real public benefit and there is a danger that whole areas of the country will have these services wiped out if the cuts continue. The MA will continue to advocate for all museums and the life-changing experiences that they can provide."

**MUSEUMS
ASSOCIATION**

December 2015

**Museums Association
42 Clerkenwell Close
London EC1R 0AZ**

www.museumsassociation.org

T: 020 7566 7800