

## **NMDC submission to the Culture, Media and Sport Select Committee Inquiry into the work of Arts Council England**

February 2014

### **Executive Summary**

1. Arts Council England's support for museums has a crucial impact that is felt right across the English sector, from national museums to the smallest, volunteer-run museums.
2. NMDC fully supports ACE's aims to ensure access to culture for everyone and to support excellence. The criteria that underpin ACE funding for Major Partner Museums and other Renaissance funding streams are transparent, fair and sensible.
3. Arts Council funding for museums is equitable both by comparison between regions and on a per head of population basis.
4. NMDC would welcome a wider discussion about the geographical distribution of museum funding. However, it would not be in the interests of the sector to weaken one element in order to strengthen another, particularly at a time when all parts of the sector are experiencing prolonged and unprecedented cuts to public funding.

### **Introduction**

5. This response is submitted on behalf of the National Museum Directors' Council (NMDC). The NMDC represents the leaders of the UK's national collections and major regional museums. Our members are the national and major regional museums in England, Northern Ireland, Scotland and Wales, the British Library, the National Library of Scotland, and the National Archives. While our members are funded by government, the NMDC is an independent, non-governmental organisation. For more information on our activity and a full list of members see our website: [www.nationalmuseums.org.uk](http://www.nationalmuseums.org.uk)
6. NMDC's membership includes the 16 Major Partner Museums funded by Arts Council England (ACE) through the Renaissance in the Regions programme.
7. Several NMDC members are or have been members of the ACE Board and the ACE External Advisory Board.
8. This response focuses on ACE's remit for museums.

### **The work of Arts Council England, including its scope, scale and remit**

9. ACE plays a vital role in supporting the cultural life of England and, since 2011, the English museum sector. ACE assumed responsibility for the non-national museum sector in England following the abolition of the Museums, Libraries and Archives Council (MLA). NMDC welcomed the approach taken to integrating museums into the ACE portfolio, and the decision to maintain the Renaissance in the Regions programme. NMDC enjoys a positive, constructive and collaborative relationship with ACE. In respect to its responsibility for museums, ACE seeks to work strategically and in partnership with other sector bodies and

stakeholders – for example developing its funding programmes for 2014–18 in consultation with the wider sector.

#### Renaissance in the Regions programme

10. The Renaissance programme has been, and continues to be, transformational for regional museums in England, and its impact is felt right across the sector – from national museums to the smallest, volunteer-run museums. By supporting a network of Major Partner Museums (MPMs) and expecting them to play a leadership role within the sector, ACE provides a firm foundation of support across England. This support also enables regional museums to work effectively with nationals and other non-ACE funded museums. Although national museums are not funded through Renaissance, it is key to their national working. Partnership work is not possible without adequate capacity in regional museums.

11. Renaissance funding has enabled MPMs to transform themselves and work in new ways. For example, the Manchester Partnership is a consortium of the Whitworth Art Gallery, Manchester Museum and Manchester City Galleries, and their MPM funding has enabled them to structure the organisation in a way which reduces duplication and maximises staff time through the creation of shared senior posts. Similarly, MPM funding to Leeds Museums and Galleries has allowed them to undertake joint work with the West Yorkshire Local Authority Museums Partnership on audience development, data collection, insurance, historic house management, developing a regional offer for broadcast and filming, and collections research and rationalisation.

12. The other strands of Renaissance – National Programmes, Strategic Support Fund and Museum Development Fund – are also crucial in supporting the wider museum sector. For example, the structure of Museum Development helps provide vital support to small organisations, frequently staffed by one or two people, and by investing responsibility for this with some of the MPMs ACE successfully links some of the largest organisations to the smallest. ACE's responsibilities include managing sector-wide standards such as the museum Accreditation scheme; cultural property functions such as export licensing and Acceptance in Lieu; and Subject Specialist Networks, which connect groups of experts in order to support the development and care of collections. These responsibilities are undertaken by ACE on behalf of the entire museum sector and in some cases (such as cultural property and Subject Specialist Networks) with a remit for the whole of the UK.

13. As well as direct support to museums, ACE also gives significant support to the visual arts and to contemporary cultural developments which overlap with the work of museums and galleries. In fields such as touring exhibitions and commissioning there is room for even greater collaboration.

14. The funding available for the Renaissance programme has always been comparatively modest, and illustrates what museums can achieve with small amounts of funding. It is vital for the health of the museum sector across England that Renaissance funding is maintained – or, ideally, enhanced – especially given severe cuts to local authority arts and culture funding.

#### **The economic and artistic criteria that underpin ACE funding decisions**

15. NMDC fully supports ACE's aims to ensure access to culture for everyone and to support excellence. The criteria that underpin ACE funding for Major Partner Museums and other Renaissance funding streams are transparent, fair and sensible. ACE's clear and broad five goals for museums provide a good balance between structure and freedom for museums to operate in a way which best suits their collections and audiences.

16. In its funding decisions ACE seeks to balance excellence with business resilience; to support learning – an area of particular strength and importance for museums; and through museum development and the Strategic Support Fund to provide support for small

organisations and those who wish to innovate. The breadth of projects supported by the Strategic Support Fund demonstrates that this is an equitable funding structure, and with proposals to lower the minimum amount requested from the Strategic Support Fund in future it will be open to even more organisations.

17. NMDC supports ACE's principle that it should not be the sole revenue funder of a museum.

### **Whether the geographical distribution of funding is fair and the justification for the current weighting of this towards London**

18. NMDC recognises there is an important debate to be had on the balance of funding for the arts across England, and would welcome a wider discussion about the geographical distribution of museum funding. Funding for national museums comes directly from DCMS and the Ministry of Defence, not ACE, and so is outside the scope of this Inquiry. However, many similar issues apply and so we have responded to some of those here.

19. For national museums, the *Rebalancing Our Cultural Capital* report is based on several flawed assumptions. For example, the figures cited for London/non-London funding for multi-site national museums do not take into account any costs based in London that are shared across sites, such as care of collections or back-office functions. Neither DCMS nor the museums themselves account for expenditure in this way. Spend per head of population is a blunt measure which assumes all funding to a London-based national only benefits people living in a London borough, and does not recognise the many ways London-based national organisations benefit the wider population. A better assessment of the current distribution of funding is needed, and it is important that any recommendations are based on statistically rigorous data.

20. It would not be in the interests of the sector to weaken one element in order to strengthen another, particularly at a time when all parts of the sector are experiencing prolonged and unprecedented cuts to public funding. In a difficult economic climate the sector needs to make the most sensible use of current resources. Changes that benefit one part of the sector should not be made at the expense of another. The really key issue for arts and culture funding across England is major cuts to local authority funding.

#### Museum sector funding

21. Funding for museums in England is complex, and more complicated than other sectors for which ACE has responsibility. Whilst technically outside the remit of this Inquiry we have therefore addressed here some of the issues with museum sector funding more widely, beyond that provided by ACE.

22. Although ACE is the development body for the entire museum sector, capital, project and revenue funding for museums comes from multiple sources including DCMS and the Ministry of Defence, local authorities, the Heritage Lottery Fund, the Higher Education Funding Council England (HEFCE), universities, public bodies, charitable trusts and heritage organisations. ACE should, and increasingly does, work strategically with these bodies to ensure that available public resources are used most effectively.

23. Lottery funding for museums comes predominantly from the Heritage Lottery Fund, and museums are only able to access ACE lottery funding for arts activity. Geographical distribution of funding from the Heritage Lottery Fund is broadly equitable in terms of spend per head of population.

24. Partnership working across the museum sector is commonplace: some MPMs have responsibility for regional museum development, national museums regularly work in partnership with non-national museums of all sizes across England, and museums loan objects

and collaborate on exhibition projects. As the ecology of sector is so inter-dependent, one element being made vulnerable through funding cuts can have a much wider impact.

#### ACE funding for museums

25. ACE funding for museums is equitable both by comparison between regions and on a per head of population basis. The vast majority of ACE funding for museums is spent outside London. 14 of the 16 Major Partner Museums are outside London, and (as noted above) other ACE funding streams support museums across the whole country.

26. The majority of the 136 Accredited museums based in London (which is c.10% of Accredited museums in England<sup>1</sup>) are non-national museums. Where museums in London are supported by ACE, as in other regions, the emphasis on developing resilience across the whole sector and on sharing good practice means that investment is felt more widely than just the place in which the funds are expended.

27. Any changes to the balance of ACE funding for other art forms should not adversely affect London-based ACE-funded museums, or place them at a disadvantage to other regions.

#### Local authority funding

28. Local authority investment in museums is greater than that of both ACE and DCMS. The largest and most swiftly applied cuts to public funding for museums have come from local authorities, with cuts of up to 50% since 2010. The scale and speed of funding cuts have left many museum services highly vulnerable.

29. Some local authorities have sought to make major savings from their museums, whilst others which have supported museum services have reaped the benefit. For example, Croydon Council auctioned objects from the Borough's Riesco Collection, resulting in the loss of museum Accreditation and seriously weakening the museum service. Conversely, Waltham Forest Council led the redevelopment of the William Morris Gallery in 2011-12, meaning the museum went from the brink of closure (when a previous administration threatened to remove funding) to winning Museum of the Year in 2013. The prize and redevelopment put the institution on an economically sustainable footing.

30. Despite their status as Major Partner Museums, most local authority MPMs have had to manage significant cuts. Successive and rapid reductions in public funding, particularly in areas of the country where it is difficult to raise income from other sources, will eventually impact on the capability of MPMs to benefit from the intelligent investment of ACE. Managing reduction in dependency on public funding (particularly outside London) takes time, and will still result in losses to public services.

31. Research by the Joseph Rowntree Foundation<sup>2</sup> illustrates that local authorities serving poorer socio-economic areas have had to manage larger cuts to their central government funding due to the removal of specific grants. Consequently they have had to make larger cuts to non-statutory services, but are also in areas where it is difficult to bridge the gap with private philanthropy. The same applies in London – museums in outer London boroughs should be considered similarly to other regional museums since they predominantly serve a local audience.

#### National museums

32. Although many national museums are based in London, National Museums Liverpool, the Royal Armouries (Leeds) and the National Museum of the Royal Navy (Portsmouth) all have their main site outside London, and there are 20 branches of DCMS and MOD-sponsored

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<sup>1</sup> [http://www.artscouncil.org.uk/media/uploads/Statistical\\_Report\\_2013\\_12-05\\_Accreditation.pdf](http://www.artscouncil.org.uk/media/uploads/Statistical_Report_2013_12-05_Accreditation.pdf)

<sup>2</sup> <http://www.jrf.org.uk/publications/coping-with-cuts>

national museums located outside of London<sup>3</sup>. Each bring cultural, social and economic benefits to their region, and their presence complements excellent regional collections (including the 140 Designated collections). The sheer size and significance of their buildings and collections means that national museums require comparatively more funding than their regional counterparts.

33. Wherever they are located, national museums aim to serve the whole country. As well as their significant contribution to the nation's economic, cultural and social well-being – for example, in their role as caretakers of our national collections, by acting as international ambassadors for the UK, or in attracting millions of tourists – they do this through their partnership working, joint scholarship, the sharing of expertise, loans, touring exhibitions and established programmes such as ARTIST Rooms<sup>4</sup>.

34. National museums, particularly those supported by DCMS, have had to manage significant cuts to their core funding since 2010. By 2015/16 most DCMS-funded national museums will have seen funding cut by around 30% in real terms. Most nationals have so far managed to accommodate the cuts without having to make significant reductions to their public programming, including partnership working with regional museums. However, this simply cannot be maintained in the event of additional cuts.

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<sup>3</sup> IWM Duxford, IWM North, National Railway Museum, NRM Shildon, MOSI, National Media Museum, NHM Tring, Royal Armouries, Fort Nelson, National Museum of the Royal Navy, National Museums Liverpool (7 sites), RAF Museum Cosford, Tate Liverpool, Tate St Ives.

<sup>4</sup> A full briefing including details of national partnerships is available on the NMDC website: <http://www.nationalmuseums.org.uk/what-we-do/sharing-skills-and-collections/>