

## **NMDC response to Local Government Association call for evidence on Brexit Impacts**

May 2018

1.1 The National Museum Directors' Council (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 and Scotland, the British Library, the National Library of Scotland, the National Archives and Royal Botanic Gardens Kew. NMDC acts as an advocate on behalf of members and their collective priorities and provides them with a valuable forum for discussion and debate and an opportunity to share information and work collaboratively. While our members are funded by government, the NMDC is an independent, non-governmental organisation. For more information about NMDC and our activity see our website: [www.nationalmuseums.org.uk](http://www.nationalmuseums.org.uk)

1.2 NMDC welcomes the opportunity to respond to the Local Government Association call for evidence. As NMDC is a national organisation the responses given cover areas of commonality between our members and therefore not all questions have been answered.

### **Economy & Funding**

2.1 Museums preserve, protect and promote one of the few irreplaceable public assets: the nation's collective memory, knowledge and history. Preserving our heritage through museums is a fundamental aspect of maintaining a healthy and prosperous civil society. Museums are civic institutions that simultaneously serve a local, regional, national and international audience, as well as an online audience who may never cross the threshold. Museums matter because they uniquely serve a public past, a public present and a public yet to be born.

2.2 The UK museum sector is more vibrant, popular and internationally respected than it has ever been. The strength, breadth and quality of the UK major civic collections is possibly unique across the world, and the presence of world renowned collections – as well as staff expertise and landmark museum buildings – right across the country is something to celebrate.

2.3 Museums have successfully adapted to become cultural enterprises, safe and social community spaces, and part of the intellectual life of their locality. Museums that have historically been more dependent on revenue finance or support-in-kind from a local authority are those which have made the biggest changes to ensure the public investment they receive is used as efficiently as possible.

2.4 In order to be successful cultural enterprises museums must be able to maintain their public trust and popularity, as well as their reputation for expertise and high-quality collections care. This requires core and secure public investment in collections, expertise and buildings: from this basis, museums can then generate income and become more financially sustainable.

2.5 The remarkable success and the potential of non-national museums – as well as the public impact of partnerships with national museums – is at risk due to the significant and swift decline in investment from local authorities, the biggest public funder of museums in the UK. In the wider context of local and central government spending the amount allocated to

museums is very small. Cuts only have a minimal impact of reducing spending, and yet the value of what is lost is considerably greater. If museums reduce the extent to which they curate, acquire, conserve and engage with the public, the collections and cumulative knowledge wither and the many positive impacts museums have disappear.

2.6 Against this background, European funding has made a substantial contribution to the UK museum sector through programmes such as Horizon 2020 (and predecessor FP9), European Social Fund and Creative Europe. The European Regional Development Fund has been a unique and substantial source of funding for many UK museums; many major museum developments such as Imperial War Museum North and the Museum of Liverpool would not have been possible without ERDF funding. Museums around the UK have benefitted from other specialist EU funds such as INTERREG (Norfolk Museums Service) and environmental protection subsidies (Beamish). As with other funding streams, the specificity and amounts of this funding mean it cannot be easily replaced by other public funding sources or private sponsorship.

2.7 Recent figures published by Arts Council England compiled by Euclid show that museums benefited from over £32million of EU funding between 2007 and 2016, most significantly from over £13m in Regional and European Regional Development Funds and over £10m for Research. These funds have contributed significantly to the UK's physical heritage, with many major redevelopments benefiting from these funds.<sup>1</sup>

2.8 The regional split of funding for all arts, museums and creative industries shows that London has received the highest concentration of funds overall, followed by Yorkshire and Humber, but that other regions have benefited significantly from specific strands of European funding, such as the West Midlands receiving £5.6m of European Structural Funds and the South West and North East benefiting most from Agriculture and Fisheries funding. European funding has also contributed to regional prosperity through schemes such as European City of Culture; analysis of Liverpool's tenure as City of Culture concluded that visitors to the city increased by 34% and generated £753.8m for the economy.<sup>2</sup>

2.9 Since the ERDF is aimed specifically at areas of deprivation and historic underinvestment, the loss of access to these funds will exacerbate existing economic challenges for some museums unless a viable successor scheme is implemented. In many cases these are areas already suffering from drastic declines in local authority funding, where the devolution of business rates – which will disproportionately affect poorer areas – will be most strongly felt, and where raising income from philanthropic and corporate sources is more of a challenge and cannot replace such substantial amounts of public funding.

2.10 With the UK's access to all EU funding streams facing an uncertain future, some museums are already experiencing problems collaborating with European partners and networks on partnership and research programmes due to Brexit, whereby institutions from countries within the EU are being chosen as the lead partner for projects over UK organisations. If the UK does not retain access to programmes such as Horizon 2020 and its successors, the UK could lose further access to funding and risk its competitive advantage in research and innovation.

2.11 Given the recent substantial decrease in the total amount of Heritage Lottery Funding and the announcement that no major grants (over £5million) will be funded in 2019, museums and heritage organisations will face further challenges in the coming years. As organisations that require long term planning because of the fixed overheads inherent in the core business

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<sup>1</sup> Assessing the European Union's contribution to the arts, museums & creative industries in England 2007 – 2016 [http://www.artscouncil.org.uk/sites/default/files/download-file/Euclid\\_summary\\_BREXIT\\_Report.pdf](http://www.artscouncil.org.uk/sites/default/files/download-file/Euclid_summary_BREXIT_Report.pdf)

<sup>2</sup> Creating an Impact: Liverpool's experience as European Capital of Culture, [https://www.liverpool.ac.uk/media/livacuk/impacts08/pdf/pdf/Creating\\_an\\_Impact\\_-\\_web.pdf](https://www.liverpool.ac.uk/media/livacuk/impacts08/pdf/pdf/Creating_an_Impact_-_web.pdf)

of caring for collections and buildings and ensuring public access, museums could more effectively and efficiently manage their public investment if funding was agreed for at least a three-year period (at present it is usually agreed on a year-by-year basis by local authorities).

2.12 Suggested successors for EU funding streams such as the UK Shared Prosperity Fund should operate on a basis that takes these issues into consideration, and as with current EU funding, should be locally devolved to ensure regionally specific needs are met. The UK Shared Prosperity Fund will need to cater to a wide variety of needs across different geographies to ensure regions are supported with sufficient and appropriate funding in order to prosper.

2.13 Museums will prosper in the future through investment in making existing buildings fit for enterprise, the provision of upfront capital to develop locally appropriate business models, and assistance to establish endowments. The UK Shared Prosperity Fund should be flexible enough to meet these needs, as well as supporting museums as they deliver on a range of key public policy priorities, including health and well-being, raising aspirations, reconciliation, and the development of peaceful and prosperous communities.

2.14 Echoing the Conservative Party Manifesto pledge that the UK Shared Prosperity Fund would be 'low in bureaucracy', this should be considered an important characteristic in designing the new funding model, as European predecessor programmes have tended to be characterised by complex often burdensome application processes that can prohibit smaller organisations or those with less resources from making applications.

2.15 Strategic funds to support partnership working across government agencies and local authorities in order to deliver on specific policy goals (such as the Prime Minister's Challenge on Dementia 2020) would be an effective and targeted use of public investment and could potentially be channelled through the UKSPF. The DCMS/DfE Strategic Commissioning model to invest in museum education programmes could be replicated across other public policy priorities. This sort of finance is important to museums which by nature have high fixed costs and budgets, thus making it difficult to find capacity to begin this sort of work.

## **Workforce**

3.1 We believe that a more restrictive migration system for EU citizens could threaten the international status of the UK's world-class institutions in their ability to work with the best curators, conservators, researchers, scientists and museum professionals available. Museums employ a wide range of specialist and non-specialist staff across a broad range of roles; and while the UK has substantial domestic skills and knowledge within the museums sector, our sector's global reputation also rests upon access to the skills and knowledge of those coming to the UK from other countries. We believe that restricting access to and creating a more hostile environment for a culturally diverse workforce would undermine the competitiveness, attractiveness and success of the UK's museums.

3.2 Museums in the UK have a significant number of staff from other EU countries, across all job types. The government's own figures show that 4.6% of people working in the cultural sector are non-UK EU nationals. Recent research<sup>3</sup> by the Museums Association found that one third of museums employ non-UK EU staff, and overall 4% of museum sector workforce are non-UK EU citizens. However, this simple figure conceals substantial differences amongst different types, sizes and locations of museums, and different job types.

3.3 National and large regional museums tend to employ a larger number of staff overall, and a larger proportion of non-UK EU staff members than small, rural and independent

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<sup>3</sup> Museums in the UK: 2018 Report, Museums Association, <https://www.museumsassociation.org/download?id=1244881>

museums; EU employees account for up to 15% of the workforce in some large national museums.

3.4 EU nationals are employed across all job types in museums. This includes highly skilled and highly trained specialist roles, such as:

- Museum Directors
- Specialist conservators
- Specialist curators
- Collections managers
- Scientific and cultural researchers
- Education, outreach and programming roles
- Technicians
- Events Managers
- Administrators

3.5 The museum sector employs a large number of people on a freelance or short-term contract basis depending on the skills they have to offer. Specialist conservators are a good example of the kind of specialist skill which is often brought in on a project basis. Non-UK EU nationals are also employed in less specialist roles in museums. In particular, they play an important role in the catering and retail offer of many museums, including national museums.

3.6 Partnership and collaboration with international partners is also a key part of many aspects of museums' activity, from the borrowing and lending of objects and touring exhibitions to collaboration on joint research projects. The impact is not just for individual institutions: partnerships enable museums to have an impact beyond the UK and play a major role in promoting Britain internationally, encouraging tourism and contributing to the UK's soft power.

3.7 Restricting freedom of movement and the right to work could prevent international experts from working in the UK, impacting on opportunities for international collaboration and damaging museums' reputation. These changes would presumably work both ways, effecting outward migration, and potentially preventing UK museum professionals from engaging in international work as well.

3.8 We are concerned about the operational and reputational impact on museums of a sharp reduction in non-UK EU staff. Creating a climate in which staff are unable or feel unwelcome to work in the UK's museums will make it more difficult for museums to carry out their duties in terms of providing public access to public collections; and will lead to a decline in the skills which ensure that our museums sector is considered world-leading. There are also concerns around the negative impact on international perceptions of the UK as a welcoming and attractive place to live and work acting as a deterrent to potential future employees.

3.9 It is not possible to simply replace all roles currently filled by non-UK EU staff with home grown talent. Due to the nature of collections and the specialist skills and knowledge required, many curatorial and scientific roles require recruitment from an international pool.

3.10 Uncertainty over the future of non-UK EU nationals in the UK is particularly concerning in terms of a 'brain drain', which will exacerbate the 'hollowing out' of many museums which have been forced to cut curatorial and scientific roles due to public funding cuts. There is also a pipeline issue of training and skills development – it takes time to build workforce skills and specialist expertise. In a climate of ongoing public funding cuts this is even more of a challenge.

3.11 Very few museums have made contingency plans for the loss of their non-UK EU staff – it is difficult to plan when so little is known about the likely outcome of negotiations and future arrangements. Most are still hopeful that a solution can be found that will enable existing employees to remain in post, and ideally that they will have continued access to the EU

labour market. Some museums have already reported increasing challenges in recruiting for senior specialist roles due to the uncertainty over the future of non-UK EU citizens' right to work in the UK.

3.12 We are particularly concerned about the possible introduction of new visa systems in the UK and the rest of the EU/EU which rely on minimum earnings requirements. This would have a damaging effect on the development of young, freelance and mid-career museum professionals. Museum employment is not generally highly remunerated, and many posts would not meet the existing minimum salary requirement for Tier 2 visas of £35,000. Few museum posts currently qualify under the Shortage Occupation List. We believe that any new immigration rules must ensure that those in the cultural and creative sectors – including those at an early stage in their careers – are able to work in the UK and the EU and contribute to our cultural and scientific life.

3.13 Some progress has been made by the Creative Industries Federation in recommending a post-Brexit visa system which would allow non-UK EU workers in the cultural sector, including freelancers, to access the UK labour market. We believe that the Government must prevent post-Brexit immigration policies from impacting negatively on Britain's thriving cultural sector - it would be a significant step backwards if museums' access to the brightest and best talent were restricted.

In case of any queries regarding this response or if you require any further information please contact Kathryn Simpson, Policy and Projects Manager, National Museum Directors' Council: [kathryn.simpson@nationalmuseums.org.uk](mailto:kathryn.simpson@nationalmuseums.org.uk) / 020 7942 4076.