

# Budget scrutiny 2024/25: Funding for Culture

Response from University Museums in Scotland (UMIS)

18/08/23

## About UMIS

UMIS has been in existence since the 1980s and brings together all the Accredited university museum services in Scotland. Our nine members hold over two million objects, and collections in five organisations are Recognised of National Significance to Scotland under the Scottish Government's Recognition Scheme.

University museums support learning, teaching, and research in Scottish universities, while also being a source of wonder and inspiration for our wider communities. UMIS members strive to make their collections to be accessible to all – ensuring programming is designed for (and with) our audiences. We welcome not only students and staff within our universities, but also researchers, the broader community (including those traditionally under-represented in museums) and schools.

Our vision is:

That Scotland's university museums will be recognised as a significant intrinsic component of higher education in Scotland and make meaningful contributions to Scottish life and culture. The value of our collections and knowledge we hold will be recognised as fundamental to learning, teaching and research worldwide. Our collections will be accessible to everyone – both physically and digitally – and act as inspiration and catalysts for research, discussion and debate. Our museum spaces and programming will be inclusive and open, encouraging and representing the full diversity of visitors and audiences. We will be trusted, supportive, progressive, challenging, dynamic and sustainable organisations, helping to break down barriers, educate and lead contemporary thought and practice.

The UMIS partners are supported through the Museums, Galleries and Collections grant from the Scottish Funding Council which helps the museums and collections (within universities) develop their contribution to teaching, research, outreach and museum practice. In addition, UMIS accesses discrete project funding through cultural agencies including Museums Galleries Scotland.

**1. [In our pre-budget report last year](#), the Committee described the operating environment of the culture sector as facing a “perfect storm” of long-term budget pressures, reduced income generation, and increased operating costs. How has this evolved over the last 12 months? What impact has the Budget for 2023- 24 had on the culture sector?**

If anything, the funding environment for the culture sector has become more challenging over the past 12 months. Continuing real term cuts to culture funding coupled with single-year settlements to public sector grant streams has, as anticipated in the UMIS response to

the 2023/24 pre-budget scrutiny, led to an environment of caution and uncertainty. Increased competition for available funding has involved disproportionate levels of application and reporting time when considering the resulting activities and outputs, and short-term single-year funding has proved challenging for longer-term planning and budget setting.

With the volatile and uncertain environment, university museums have had to prioritise work based on cost analysis, resource, and associated risk, resulting in more expansive or resource-heavy projects having to be delayed or kept on hiatus until funding arrangements are more concrete in the long-term. Indeed, University Museums in Scotland has taken a step back from larger partnership projects this year – given the associated risk around longer-term funding – and has instead prioritised auditing risk, consolidating activity, and putting in place resources to aid with succession planning should funding continue to diminish.

Also marked this year was the Scottish Government's introduction of the Fair Work First criteria for all public sector funding bodies. In the Constitution, Europe, External Affairs and Culture Committee Pre-Budget Scrutiny 2023-24: Funding for Culture, 6th Report, 2022 (Session 6), it states that "...the Scottish Government outlined the commitment to "introduce a requirement on public sector grants recipients to pay at least the real Living Wage to all employees" by Summer 2022..." but follows with "...However, in "the context of Covid recovery and renewal, and the cost of living crisis, the Scottish Government acknowledges that it will take time to implement this agenda in a sustainable way."

Although UMIS fully endorses (and indeed our universities uphold) paying the real living wage, and our host institutions have official agreements with employee unions and established HR practices to underpin employees' 'effective voice', the speed with which the criteria were introduced has broader implications, with uncertainty and a lack of understanding remaining around the types and levels of evidence required. There remains inconsistency in how public sector funding bodies are implementing the criteria which is leading to challenges for university museums in securing grants from certain cultural bodies, and implications of resource for those funding bodies assessing evidence against the criteria.

Another result of the current budget pressures is recruitment and retention of staff – particularly those with digital experience in the creative industries – which is proving difficult for university museums and, we believe, other public sector cultural organisations. Often contracts are offered (by necessity) on a fixed term basis and remuneration is not on a level with private sector organisations. In the context of the broader cost of living crisis potential applicants, and in some cases existing staff, are looking elsewhere for employment.

Finally, the impact of Brexit continues to be felt, particularly within university museums that inherently work within the European sphere. EU grants that were previously relied on to fund international research or partnership projects (such as Horizon 2020) are no longer open to UK organisations. Although there are currently discussions around the UK's use of the Horizon Europe Fund, these negotiations are still ongoing. This not only means that UK

organisations are unable to apply for this funding (closing off yet another funding stream for cultural organisations), but also that we are unable to partner in European projects.

The end to a freedom of movement and the customs union is also having an effect on the complexities and cost surrounding international loans, borrowing, and even repatriation. There now exist increasingly complex and expensive export/import arrangements, delays at borders, increasing transport costs, complexities around legislation and legal status, and increased bureaucracy around moving collections, and people, between the UK and the EU.

As a sector we are still navigating this complex environment. Some effects are still to be felt but given our historic (and current) close ties with our European colleagues, what is apparent is that the impact to date of our exit from the EU has been marked. Without support and frameworks in place to fund and facilitate our work with the EU, we are in danger of seeing a less open knowledge exchange and partnership, and an increasing (imposed) cultural divide.

In summary, although the 'perfect storm' the sector is seeing is ultimately around budget pressures, operating costs and income generation, the situation is far more complex. The Scottish Government's Cultural Strategy sets out an ambitious vision for the cultural sector in Scotland – one which acknowledges the scope and impact that cultural activities can have across society and policy areas - but this isn't being borne out by investment. Despite best efforts, income sources are continuing to diminish and without direct Scottish Government support, the cultural sector will continue to see – at best - a 'managed decline'.

- ***As a priority, the Scottish Government needs to re-evaluate funding to culture given its value and the ambitions of the Culture Strategy and re-assess funding for culture in terms of return on investment. The introduction of ring-fenced investment will ensure the core budgets of museums do not continue to be eroded and that they can fulfil their ambitions and those of the Culture Strategy.***
- ***As soon as is workable, the Scottish Government must re-instate multi-year funding indications to aid with longer term planning and organisational resilience.***
- ***Where possible, the cultural sector would benefit from support for working with European colleagues (in the absence of EU funding) and international partners given the Scottish Government's ambitions around an International Cultural Strategy.***

2. [Our report](#) also concluded that that this crisis provides an opportunity to accelerate innovative solutions to the budgetary pressures within the sector. What progress has been made on this in the last 12 months? And at a time of limited resources, what other innovative approaches could the Scottish Government take forward to support the culture sector?

Despite a number of suggestions provided by the Scottish Government over the past couple of years of innovative approaches to easing the budget pressures for cultural organisations, these don't seem to have improved the current funding environment or provided a

particularly sustainable future for the Scottish cultural sector. Nor have they addressed the immediate challenges faced by the sector.

In response to the suggestion that the ministers should, in relation to the cultural sector, find 'ways to increase public and private investment across the sector to allow it to recover and compete' (Scottish Government's independent Advisory Group on Economic Recovery in the wake of COVID-19), UMIS responded (in the 2023/24 pre-budget scrutiny) that there also needs to be an acknowledgement that fundraising and sponsorship activities are both skilled and resource heavy. Given the diminished capacity of many cultural organisations due to lack of staff, absences or an overall reduction in resource, these activities can be outwith the capability of many museums. This situation is, if anything, more acute as time goes on, with the added issue of sources of funding diminishing and increased competition for those that remain.

Despite university museums accessing a wide range of alternative funding sources such as research grants, working with the Scottish Graduate Schools, and discrete funding for projects through Museums Galleries Scotland, partnering organisations etc., the core of our funding is from our universities and through the Museums, Galleries and Collections grant from the Scottish Funding Council. Additional funding accessed is generally ring fenced for specific projects and activities rather than contributing to core costs, so does not offer a long-term solution to the current budgetary pressures.

There needs to be an acknowledgement that Scottish Government budgetary decisions will have the greatest impact on the sustainability of the cultural sector and ultimately will dictate the rate of recovery.

The 'whole system approach' has also been mentioned in the past as another potential solution, enabling cultural organisations to access funding from other policy areas – particularly in regard to cultural prescription. UMIS's response to this consultation last year stated that evaluation of the University of Edinburgh's *Prescribe Culture* programming identified that although the benefits of arts and sports work for wellbeing and mental ill health intervention are finally being acknowledged, that currently heritage benefits are not as well or widely recognised.

There doesn't seem to have been much progress in embedding culture across policy areas, without which the proven impact of cultural activities in health and wellbeing, education, and environment for example will continue to go unnoticed. In order for the wide-ranging impacts of culture to become truly recognised UMIS believes that closer liaison between Scottish Government portfolios is essential. Cross-portfolio communication channels within the Scottish Government remain limited and rely on Ministers and ministerial offices to instigate dialogue with colleagues from other departments. However, in order that cultural organisations can more effectively make a case for their contribution to not only the health and wellbeing agenda, but also to broader areas of impact, a more inclusive and open approach to communication needs to be embedded, with cultural organisations given more agency and supported to open discussion with other portfolio areas.

In addition, each policy area has its own frameworks, methodologies and approaches to recording and reporting impact. In order for museums and cultural organisations to be recognised for their contribution to these wider policy areas, there needs to be central support and investment in developing a shared understanding and a more cohesive infrastructure and framework to reporting.

Finally, during and immediately post-Covid, UMIS and the broader museums sector proved its agility and resourcefulness working together and collaborating with wider organisations, maintaining (and in some cases increasing) their impact and showing a consistency of activity and output.

Digital work and additional engagement activities developed during the pandemic may be continuing – and indeed now be embedded within programming - but the resource required to maintain this work while getting back to ‘business as usual’ and facing unprecedented pressures on budgets and staffing cannot be overestimated. As previously mentioned, funding leveraged from grants or other sources is often programme or project specific, and while ‘innovative approaches’ developed during Covid continue there has been no real consolidation time (or budget) to assess and evaluate how to take this activity forwards in a sustainable manner. In order to ensure that this work - and the core work of museums - continues, it needs to be resourced.

- ***Core ring-fenced investment is essential to ensure that the cultural sector in Scotland does not continue to decline and that ‘innovative approaches’ developed during Covid continue to benefit our communities.***
- ***More implicit and explicit recognition of the inclusion of culture within planning and strategy across portfolios, as well as support and guidance in impact reporting within other portfolio areas, would serve to increase cohesion and recognition of the importance of culture more broadly, leveraging funding and investment and enabling growth of capacity.***
- ***Cultural organisations, or those representing them, need to be given greater agency for cross-portfolio liaison, with the Scottish Government committing to embedding a cross-Governmental approach.***

**3. [The Committee called for](#) the forthcoming refreshed Culture Strategy Action Plan to provide a clear and strategic sense of how the Scottish Government is working to ensure a more sustainable future for the sector. How should the refreshed Culture Strategy Action Plan help to inform future budgetary decisions within the culture sector?**

A number of strategies and frameworks exist that that give ambitious and wide-ranging objectives for museums – the Scottish Government Culture Strategy, Museums Galleries Scotland’s Museums Strategy, the potential introduction of a Scottish International Cultural Strategy, and others such as those of Historic Environment Scotland and National Museums Scotland, not to mention other social impact strategies such as those around environment, place, health and wellbeing etc.

In the case of university museums, this is coupled with strategies from Higher Education – those of our host universities, the Scottish Funding Council, Scottish Government’s Universities Policy, Scottish Government’s Strategic Research Programme 2022 to 2027 and Research Strategy for Scottish Education, those of particular research organisations etc.

Given there is a recognition of the pressures facing the cultural sector, UMIS is keen to see this Action Plan being realistic, offering support, and ultimately providing a constructive route map to sustainability. Given the current financial climate, it is essential that any Action Plan produced does not expand the outputs or contribution expected from museums and cultural organisations, but instead provides tangible ways in which the sector can be supported to achieve already ambitious expectations.

Ultimately, and as mentioned earlier, there needs to be a recognition of the existing wide-ranging impacts of museums and cultural organisations across the National Performance Framework and policy areas rather than an assumption that more can be achieved given the current climate. By outlining how these existing impacts could potentially be resourced and truly embedded, how impact can be recorded and reported across policy areas, and what steps can be taken to broaden the recognition of and investment in culture, the Action Plan could offer a realistic direction through which the cultural sector could be sustained.

Finally, without investment and financial support to take activity forwards, there is a danger that the cultural sector will not have the resource to adopt the proposed Action Plan.

- ***It is essential that the Action Plan both recognises and aligns with the other extensive strategies and frameworks that exist for cultural organisations.***
- ***Rather than focusing on additionality, the Action Plan should consolidate and acknowledge the existing far-reaching impacts of culture across policy areas and offer solutions as to how these can be evidenced and financed more broadly.***
- ***In order that the Action Plan is practicable and useful to the cultural sector, the Scottish Government will need to commit to appropriately investing in and resourcing the proposed actions.***