
MUSEUMS, GALLERIES AND COLLECTIONS GRANT

PURPOSE

1. This paper seeks the Board's approval for a further one and a half years' investment in the Museums, Collections and Galleries Grant, from February 2023 to the end of AY 2023-24, as part of the wider review of non-core investments and process.

RECOMMENDATIONS

2. The Board is invited to:
 - Note the final findings from the review of the grant, conducted between April 2021 and August 2022;
 - Agree continued investment in the Museums, Galleries and Collections grant for a minimum period of one and a half years; and
 - Delegate authority to the Chief Executive to finalise the Funding Agreement and, subject to Ministerial approval, make the appropriate funding award from non-core funds.

FINANCIAL IMPLICATIONS

3. £1.8M across Academic Years 2022-23 and 2023-24 to be drawn from non-core funds.
4. As the recommendation is for funding of more than £1M, permission from Scottish Ministers to consider such an allocation has been sought.

RISK ASSESSMENT

5. Providing funding to institution museums on the basis outlined in this paper is a low risk as it represents continuity of an established relationship and SFC has undertaken extensive stakeholder engagement throughout the review of the grant.

IMPACT ASSESSMENTS

EQUALITY AND DIVERSITY

6. An Equality Impact Assessment has been completed for this grant.

ISLAND COMMUNITIES

7. No direct links to, nor impacts on, island communities have been identified.

CARBON REDUCTION

8. No direct links to the Scottish Government's priorities for carbon reduction and the achievement of 'net-zero' by 2045 have been identified, although many institutional museums are active in supporting environmental aims.

PUBLICATION

9. This paper will be published in edited format under the Freedom of Information (Scotland) Act 2002; Section 30: Prejudicial to the effective conduct of public affairs

FURTHER INFORMATION

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PURPOSE

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BACKGROUND

12. The purpose and value of the Museums, Galleries and Collections (MGC) grant was discussed at the Board's previous meeting in June alongside an update on the review of the grant. This followed a discussion in December 2021 when the Board agreed to extend grant funding for a further year to the end of January 2023.
13. The MGC grant is used to support Accredited¹ or Recognised² institutional museums or collections and to assist institutions with the additional financial burden of owning collections which are important to our national heritage, and which have global significance, over and above their core functions of the provision of teaching and conduct of research. The nine institutions supported by the grant hold over 2.2 million objects made available to colleges and universities more broadly for study, research, enjoyment and for furthering knowledge. These collections account for around 18% of Scotland's entire national collection.
14. To date, no collection in the care of a college has been Accredited or Recognised. There are processes for institutions to apply for Accreditation which are delivered by Museums Galleries Scotland (MGS). University Museums in Scotland (UMIS) members act as Accreditation Museum Mentors for other museums seeking Accreditation and are committed to working with MGS to provide support in future for any colleges or other universities wishing to explore Accreditation.
15. Institutional museums have a unique remit due to their position within tertiary education and their close engagement with students, researchers and academic resources. They are ideally placed to support research and promote learning and teaching across disciplines and schools, and they provide a range of opportunities for students to engage with culture – both within and outside their studies – providing an expanded and enriched university experience. They have an extensive track record of delivering successful projects that

¹ The Accreditation Scheme is the UK industry standard for museums and galleries. Nine academic institutions have collections that have Accreditation.

² The Recognition Scheme is where holders have evidenced that their collection is Nationally Significant to Scotland. Five academic institutions have Recognised status.

anchor their institutions in locations and communities and play a vital role in amplifying and broadening the impact and influence of HEIs. Annex A provides an overview of the impact of the institutional museums supported by the MGC Grant.

16. A similar grant exists in England. Research England awards the Higher Education Museums, Galleries and Collections (HEMG) Fund to help museums, galleries and collections to serve the wider research community where this costs them significantly more than meeting the needs of their own researchers and students. The fund provides almost £11 million each AY to 33 higher education museums across 19 HEIs.

MINISTERIAL SUPPORT FOR THE MGC GRANT

17. Mr Hepburn, Minister for Higher Education and Further Education, Youth Employment and Training, has confirmed that he is:
 - Content for the Scottish Government to continue to support public funding of institutional museums through the allocation of SFC funding;
 - Content for the SFC to continue to act as the 'delivery agent' of funding for institutional museums, with authority to take decisions about funding distribution and evaluation;
 - Content for the SFC to consider the continuation of grant funding for institutional museums as part of its future planning, rather than SFC retaining and utilising the funds elsewhere within its budget; and that
 - SFC should ensure when providing further funding that institutional museums deliver public value for the research and tertiary education system, and that options for best outcomes are considered along with ensuring value for money, including consideration of availability of other income sources to reduce the dependency of the projects on funding over time.
18. The Minister also commented that he agrees with the importance of the activity delivered by institutional museums, and he is keen that consideration is given as to how the MGC grant fits into SFC's wider educational activity.

REVIEW OF THE MGC GRANT

19. A review of was initiated following the end of a three-year funding period in April 2021. It was conducted in two phases.
20. The first phase focused on assessing effectiveness in terms of progress and outcomes and found that the current conditions of the grant were being met, and that institutional museums are well placed to be at the forefront of curatorial practice, providing leadership within the wider museums sector and cultural community. Seven themes for

enhancement during the next phase of funding were identified and are presented in Annex B alongside key findings for each institution from the review.

21. The second phase of the review focused on the funding allocations awarded to institutions, particularly the distribution pattern. Table 1 outlines the historic nature of the grant where the five institutions with the largest allocations, the Recognised collections, were the initial recipients. The proportions allocated to the first recipients have not changed significantly.

Table 1: The institutions and MGC Grant funding allocations 1996/97 to 2021/22

1 x { table }

22. Throughout the review SFC has been working with University Museums in Scotland (UMIS), the body representing the nine institutional museums. We encouraged UMIS to collaborate with its members to propose a revised model for funding that they consider to be more equitable, transparent, explicable, scalable and that has longevity.
23. In June the Board approved two guiding principles that should underpin future grant allocations:
 - A financial model that supports the management of the Accredited tertiary museum collections in a way that is fair and sustainable; and
 - A robust and transparent allocation method that is based on clearly defined indicators and avoids unnecessary complexity.
24. The Board also approved the exploration of a metric approach which aligns with the purpose of the grant.
25. The review of the grant has now concluded, and this paper presents final findings and seeks the Board's approval of future funding commitments.

FINAL REVIEW OUTCOMES

26. The outcomes of the Scottish Government's Resource Spending Review, published in May 2022, pointed to an extremely tight fiscal environment, and competing pressures and priorities. This is resulting in recalibration across SFC, including the direction of travel of the MGC grant review. There is a separate Board paper on the wider review of non-core investments and process and the recommendations in this paper are part of this review.
27. Prior to recalibration, the review was predicated on working towards a proposal for a 4% uplift and multi-year settlement for the grant, which would accompany a redistribution of funding allocations, noting the legacy allocations. The MGC grant has been held at flat

cash since AY 2013-14, during which time the Consumer Price Index³ has seen a 19.1% increase. In parallel SFC has seen an increase in the ambition of the museums and collections including some notable growth in activity and contribution, for example digitalisation of collections, creation of new collections research centres, and development of best practice in digital teaching with collections.

28. Though based on a pre-Spending Review direction of travel, we are presenting the outcomes of the review for the Board's awareness. The final recommendations developed in collaboration with the sector through co-development with UMIS include:

- A multi-year settlement aligned with the academic year to allow for planning and stability (the grant timeframe currently ends mid-way through the year in January).
- Introduction of an evidence-based approach with a funding formula which incorporates key indicators.
- Introduction of a minimum level of funding to increase equity and ensure that all institutional museums can improve their offering and increase capacity.
- Mitigations to ensure no institution receives a destabilising reduction in funding.
- Funding for the UMIS Co-ordinator role to be found within the MGC grant with each institution proportionally contributing to the salary. This follows the end of funding contributions from Museums & Galleries Scotland (MGC) towards the post and separate SFC support.

³ Consumer Price Index UK calculator: August 2013 to March 2022.

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29. The sector has strongly argued for the value of a multi-year settlement to afford the ability to plan, to make commitments beyond a single year and to promote efficiency as well as to be supportive of budget setting. The challenges from falling out of alignment with the academic year have also been strongly highlighted in terms of issues relating to attracting staff for funded projects and being out of sync with reporting arrangements and planning cycles.
30. The appointment of the UMIS Coordinator to work across the nine institutions in receipt of grant funding has been transformative in terms of better co-ordination, increased profile and collaborations, and, overall, a clearer collective voice for Scottish institutional museums with wider impact. Each UMIS member has agreed to proportionate contributions to the Co-ordinator's salary to continue the post.
31. Following the guiding principles agreed by the Board, a formula has been developed based on:
- Total number of collections - 40% of the total grant funding is allocated proportionally to the number of objects in each institution's collection.
 - Recognised collections - 20% of the total grant funding is allocated proportionally to the number of objects in each institution's collection for those institutions taking care of Recognised Collections.
 - Public Engagement and Outreach - 20% of the total grant funding is allocated proportionally to the number participating in activities over and above their core functions of learning, teaching and research within their own institution.
 - Match for Parent Institution Support - 20% of the total grant is allocated proportionally to the institution's own contribution to its museum and collections to encourage institutional support.
32. UMIS have used this model, combined with a minimum allocation of £32,500⁴ to generate proposed allocations using data returned by institutions for AY 2020/21. They have also proposed using a mitigated approach to soften where the outcomes of the formula would represent destabilising changes for some institutions, namely the University of Glasgow and the Glasgow School of Art.

⁴ The minimum grant provided through the Higher Education Museums, Galleries and Collections (HEMG) Fund from Research England is £40,000, with most being substantially higher.

Table 2: UMIS proposal revised funding levels (includes 4% uplift to overall MGC grant total)**1 x {table}**

RECALIBRATION FOLLOWING THE SPENDING REVIEW

33. Taking the present financial situation into account, alongside the Board's previous steer, an uplift to the grant is not viable at the present time. Instead, we are proposing a flat cash settlement for a minimum of one and a half years at the current level (£1.2 million per annum).
34. The sector has put forward a strong case in terms of efficiency and value for money from a longer grant period should a multi-year settlement be possible (i.e., two and a half years). The rationale for an additional 6 months to bring the grant back in line with the academic year is strong. Continued short-term settlements prevent institutions from being able to sufficiently plan and have budget certainty, impacting on the activities they can deliver and the additional contributions they can leverage. We have heard clearly from the sector that continued short-term funding periods put the UMIS Coordinator position at threat.
35. Recalibration also means that increasing the minimum allocation to support the recruitment of additional staff is difficult. However, we consider that funding at the lower end of the allocation scale remains useful in providing a strategic steer. We also recognise the calls for a more transparent and equitable approach from the sector and the need for some rebalancing of the grant.
36. Based on the recommendations identified in para 28, and taking on board previous feedback, we are now proposing allocations based on a lower minimum uplift and level of redistribution. This starts the journey towards fairness, and funding allocations will be considered again at the end of the next funding period. Table 3 highlights our proposed funding allocation per institution in one full AY.

Table 3: SFC proposal to rebalance annual funding allocation by institution (no MGC grant uplift)**1 x {table}**

37. The proposal ensures:
 - No institution receives more than a 20% cut. The University of Glasgow and Glasgow School of Art would receive a reduction, but this is likely to be manageable and is in line with their expectations.
 - The minimum allocation is increased to £24,000 per AY. This would not be enough to promote dependency on SFC's funding for additional staff however it is progress in the transition towards fairness.
 - No change in the funding allocations to the University of Aberdeen and the University of Edinburgh as their allocations are appropriate currently.

- An increase in the allocation to the University of St Andrews to reflect their sustained investment in their collection, acknowledgement of how their museums are rooted in research and teaching, and recognising the importance of their collection and ambition.
38. This starts the journey of rebalancing the grant with the next funding allocation review towards the end of AY 2023-24. We envisage that these allocations will be supported by the sector as a pragmatic approach to acknowledge the review recommendations in a challenging financial context.

RECOMMENDATIONS

39. The Board is invited to:

- Note the final findings from the review of the grant, conducted between April 2021 and August 2022;
- Agree continued investment in the Museums, Galleries and Collections grant for a minimum period of one and a half years; and
- Delegate authority to the Chief Executive to finalise the Funding Agreement and, subject to Ministerial approval, make the appropriate funding award from HE Strategic Funds.

ANNEX A

SFC MUSEUMS, GALLERIES AND COLLECTIONS GRANT

AY 2020-21

University of Glasgow

The Glasgow School of Art

University of Aberdeen

University of Edinburgh

University of St Andrews

Heriot-Watt University

Robert Gordon University

University of Dundee

University of Stirling



2,180,982

Estimated total items in
museum collections



354,557

Hits on museum
home pages

4,494

research enquiries and research visits

236,200

hits on online museum collection databases

5,342

teaching hours involving museum collections and/or staff

7,045

students on courses involving museum collections and/or staff

SFC Museums Galleries and Collections grant	£1,200,000
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Institution contribution to university museums	£3,333,347
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Total funds supporting university museums	£4,533,347
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SFC proportion to total university museum costs	26%
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Total Teaching and Research & Innovation funding from SFC	£671,899,112
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University museums budget in proportion to SFC total funding	0.7%
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Numbers of staff (incl. SFC grant) working at university museums AY 2020-21	84.3 FTE
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