Looking ahead

Museum Sector Research May 2021
Summary Report

Aberdeen Art Gallery, joint winner Art Fund Museum of the Year 2020, © Marc Atkins/Art Fund 2020
INTRODUCTION

Almost exactly a year ago, I wrote the introduction to Art Fund’s first survey on the impact of Covid-19. At that time, our sector faced an unprecedented crisis. One year later and little has changed: across the UK museums and galleries are only just starting to reopen, finances remain extremely precarious, and the future uncertain.

But we know that everything has changed, too: it has been an extraordinary year for activism and social justice, digital creativity and engagement, and a renewed appreciation for the pleasure of a day out at a museum with people we love. Now, as we publish our second survey, our focus is on the future – not just on recovery and renewal, but on how the sector might reimagine its purpose and activities in a post-pandemic world.

This survey is not a repeat of last year’s. Working again with cultural consultants Wafer Hadley, we wanted to understand the priorities for museums and galleries for 2021 and beyond. 316 UK museum directors filled out an online questionnaire, and then a series of interviews and two focus groups allowed us to discuss many issues in greater depth.

What has emerged is a new model for the museum, one in which the physical space of the museum is no longer dominant. Instead, the museum is divided into three: on-site, on-line, and out in the community; each space equally important and informed by the other two. Alongside this is new thinking about recovery: for many, a continual growth model is untenable, and the sector must ask instead what is sustainable, across these three spaces and for the long term. We hope that, through new grant funding to be launched shortly, Art Fund will be able to support museums to explore these spaces and questions.

We hope our findings will not only inform Art Fund’s charitable programme, but also help other organisations, funders and agencies, across and beyond the sector, understand where our continued support is most needed.

The themes in this survey will not be a surprise to anyone working in museums and galleries. We knew already – and the results here reaffirm – that emergency funding had prevented catastrophe, and that sustained investment will be critical in rebuilding the sector. We also knew that while the opportunity to experiment with digital programmes had been enthusiastically and successfully embraced by many museums, being able to welcome visitors back through the doors remained a top priority – not only because visitors provide vital income, but because they bring museums and their collections to life.

We would like to thank our colleagues in museums and galleries across the UK who, at a point at which it felt like there was a new survey to fill out every other day, took the time to answer our questions and have yet another Zoom meeting. It is a privilege to be part of a sector full of generous, creative, and dedicated people.

Sarah Philp
Director of Programme and Policy, Art Fund
METHODOLOGIES & RESPONSES

This mixed methodology research was carried out during February and March 2021. It included:

— An online survey (316 responses)
— Two focus groups – Independents & Local Authority services
— 20 in-depth telephone interviews carried out by Art Fund staff

% of responses by nation

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Now
OVERVIEW

Our 2020 research revealed a widespread lack of certainty in the sector. Following a momentous year, in which much has changed, uncertainty remains a dominant theme. A majority of organisations have concerns about their survival.

The state of future funding, unknown visitor confidence levels, local elections, restructures in Local Authorities and the return of staff from furlough are just some of the factors stoking this uncertainty.

The past year has given many organisations an opportunity to refocus and experiment. They are determined to show their resilience, to evolve and carve out new futures. However, this is tempered by significant levels of overstretch and exhaustion.

Financially, government funding has provided a lifeline that staved off catastrophe in 2020/21. Some are in a better position than previously feared, but many are now running with a deficit. With reserves spent, fundraising stymied and earned income decimated, there is unlikely to be any easy bouncing back. A five-year timeframe for recovery seems likely, with difficult years ahead for some.

Concern for the future is most marked among Local Authority run services and Independents. Nationals show slightly less concern about their fundamental survival, but they expect to be operating very differently.

Organisational survival concerns

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Sources of emergency funding & financial support in 2020/21

VISITORS AND OPENING IN 2020/21

Was your museum able to open following the first national lockdown?

- The vast majority of organisations managed to reopen some, if not all, of their sites when allowed to do so in 2020, but visitor numbers were hit very hard.

- On average, visitor numbers were more buoyant at Independents than at London-based Nationals, or at Local Authority and University-managed venues.

- Those with outdoor spaces have naturally fared much better than others.

% of respondents receiving types of funding support
Earned incomes fell sharply in 2020/21. Organisations that had increased the proportion of their commercial income in recent years were the most vulnerable.

More than a third of organisations are newly in deficit in 2021/22, with a further third still unsure of their financial position for the year ahead. New deficits represent, on average, 25% of organisations’ total operating budgets. Organisations in England are more likely to have a new deficit than those in other nations.

Almost a quarter of organisations reported already making redundancies, with more expected in the coming year. However, the distribution of redundancies has not been equally spread, with far more among larger organisations, particularly Nationals and Independents.

Universities and Local Authority services have been spared many redundancies so far, but the future picture is very unclear.

Many Local Authority staff have been redeployed to work in other services, such as Covid testing centres, foodbanks and on business grants. These roles are still required in the new financial year and may impact museums’ capacity and readiness for reopening.

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“Like other central London museums, we rely as much on international visitors as local/UK visitors; 50% across the year come from overseas and these are also the visitors who spend more in our shop and café. Forecasts suggest that the recovery of the international visitor market won’t begin until at least 2022 and could take until 2024 to reach 2019 levels. Being an independent museum that normally generates 100% of core operating and programme costs through activity onsite, we have worked hard, fast and successfully to adapt and develop new income streams (and to cut costs), but nothing can replace the income through onsite experience.”

(Independent, England)

“Quite a few of the staff have been partially redeployed during this period including me. I’ve managed the Council’s business support team for the whole of the pandemic. That’s still going on and the Government is still producing more business grants that we’re going to have to answer enquiries to, assess... it just seems never-ending. So, how are we going to get back to being able to be fully open?”

(Local Authority, England)

“Northern Ireland has experienced 12 years of consecutive cuts, standstill if lucky... Our sector depends on annual funding and every year is uncertain, more so than ever now with Brexit and Covid.”

(Independent, Northern Ireland)

“In Scotland, there is not just precarity around Covid-19 and the medium to long term economic outlook, but also regarding the future political landscape, with elections to the Scottish Parliament imminent, and potential for a second referendum on independence. This creates a good deal of uncertainty, not least in terms of funding support.”

(Independent, Scotland)

“As a university museum, our long-term survival is dependent on the resilience of the higher education sector”

(University, England)
Unsurprisingly, income and visitors are the most pressing challenges facing museum and gallery Directors in 2021/22.

The pivot to digital was a major theme in our 2020 research. Most organisations feel they have made a significant leap forward in ‘the year of digital’, whether from a low base or from a more developed starting point. Looking ahead, talk of ‘blended’ and ‘hybrid’ offers is the norm, to enhance the on-site experience, to reach wider audiences or as insurance against future lockdowns.

A key challenge for most organisations is capacity. There is a need to do more with even less, to keep reinventing. But furloughed staff are feeling disconnected and staff who have worked through are feeling worn thin. A focus on staff welfare has risen up the priorities. For Local Authority services and University venues, addressing staff wellbeing is one of the biggest challenges for the year ahead.

However, many questions remain unanswered about digital engagement for museums and galleries. How much to invest? How to monetise content? Who is actually engaging digitally, does it differ to in-person audiences, and what are the implications for the organisation? What previously excluded audiences can be engaged in this way and which cannot? There is a feeling that a significant amount of ‘reinventing the wheel’ is taking place.

Organisations in Wales were more likely than others to cite the move to a digital offer as one of the main challenges they currently face.

The limited workforce diversity that existed prior to the pandemic has been threatened further, with cuts likely to have disproportionately affected those from ethnically diverse backgrounds.

The value of domestic tourism and ‘staycations’ this summer is front of mind for organisations in appealing holiday destinations. City centre locations, particularly central London, feel they are less likely to benefit. The overseas tourist market is expected to take years to recover.

Brexit clearly represents a significant challenge for organisations in Northern Ireland. However, organisations in other parts of the UK did not cite issues occurring as a result of Brexit as a main challenge.

Those with major capital projects in train have been somewhat protected from the worst of pandemic fallout. However, postponements have had knock-on cost implications, and as reported in 2020, fundraising to complete these projects is proving difficult.

Maintenance works are a major source of concern for organisations with many built assets, with costs reportedly rising significantly in recent years. Some buildings left empty for the past year have suffered more than anticipated. Capital projects completed ten or more years ago are now in need of repair and updating.

The place of collections is seen to be more important than ever in the engagement of visitors. Relatively few organisations identified their collections as being at risk. Those most at risk are within museums with the highest likelihood of failure. But the costs of storage and collections care are weighing heavily on some.
Challenges for the coming year

- Earned income shortfalls
- Low visitor numbers
- Delivering community engagement activities
- Funding shortfalls
- Lack of staff/capacity
- Future viability of the organisation
- Move to a digital offer
- Relationships with audiences/members
- Inability to reopen
- Lack of volunteer support
- Maintaining buildings
- Postponed capital works
- Rationalising or closing services
- Postponement/cancellation of partnerships
- Relationship with funders
- Issues related to Brexit
- Collections at risk
- Contracts with external contractors/suppliers
- Relationship with Government/Local Authority
- Other
- Security of buildings
- Loss of curatorial expertise
- None of the above

Areas of development

- Developing online events
- Outreach or new digital offer for schools/young people
- Diversifying audiences
- Monetising digital content or investing in online
- Building new partnerships
- Digital systems upgrade
- Developing new types of on-site interpretation
- Digitising collections
- Increasing workforce diversity
- Focus on hyper-local audiences
- Infrastructure improvements
- Collections reviews
- Deaccessioning collections
- Other
- None of these

% of organisations

Main challenges
All challenges
“That’s one of the things that I still have in my mind about digital really is about how far you can go in making that a significant income stream relative to the investment that you’ve got to make” 
(Independent, England)

“I keep getting asked to do more and more with less and less… I think in Local Authorities it’s been chipped away at for so long… we really need to look at capacity” 
(Local Authority, Wales)

“Our whole method is about piloting and trialling and creativity, but sometimes I worry about my team, about the burnout that comes from that. It’s been so intense and this need to constantly be thinking, constantly changing… there’s no stability” 
(Independent, England)

“We’re expecting a big bounce in terms of staycations… how can we translate them from being an outdoors audience to an audience that also will step across a threshold?” 
(Independent, England)

“We’re an 18-acre rural site, lots of big historic buildings and the maintenance cost base seems to be coming up all the time. We’ve had a lot of NLHF funding, but the main round was now 10 years ago and so we’re actually finding that a lot of things that were taken for granted in recent years are becoming very expensive to maintain” 
(Independent, England)

“The condition of the buildings has also been something we hadn’t quite expected to see… we’ve noticed how the condition has been deteriorating” 
(Local Authority, Scotland)

“The third floor is going to be a blend between back of house and front of house, so you’ll be able to see stuff and volunteers working on the collection, there’ll be a space for visitors to sit down and help us… it’s a way for us to catch up and put the focus back on collections, but also to show the public that’s what we’re about” 
(Independent, England)

**PRIORITIES AND OPPORTUNITIES**

In our 2020 research, the growing potential of museums and galleries to support health and wellbeing was flagged. Given their experiences in the past year supporting communities, volunteers and staff, a significant proportion of organisations now see this as an area of strength to be built on. What has been learned in outreach settings can now be applied to the visitor experience more broadly. However, advocacy in this area is thought to be missing – while the sector sees and acknowledges this development work, organisations feel they struggle to reposition themselves with other stakeholders as more essential than simply ‘leisure’.

Enhancing relevance has been a priority for a number of years, but the experience of Covid-19, the foregrounding of Black Lives Matter and the increased urgency of the climate crisis has encouraged more museums and galleries to want to refocus to address these issues. This is particularly the case for larger organisations (with over 50 staff). Workforce diversification and decolonising practice are particularly high on the agenda for University sites.

The squeeze on budgets, the current challenges of touring and a desire to make more of collections lead to a focus on collections-based exhibitions in the year ahead. This is particularly the case for smaller organisations (with fewer than 50 staff). These museums and galleries are less likely to see new opportunities in the year ahead than their larger counterparts, as they focus on simply having an attractive offer for returning visitors.
As we have already seen, opportunities were also identified through the use of digital technology, whether increasing geographical reach or accelerating new ways of working.

A number of organisations now see themselves as having three equal arenas for their work – on site, online and in the community – with traditional hierarchies between these being broken down permanently.

Underlying the discussion of new opportunities is a reluctantly spoken question – what are we going to stop doing in order to deliver quality against this potential? Having lost staff or contractors, and with straitened finances, Directors are asking themselves whether they can continue to expand their portfolio of activities without letting something go.

Overall, more than half of organisations identified new opportunities in the forthcoming year. The major focus was on new partnerships, both within and outside the sector, with an emphasis on greater collaboration. The locus for these opportunities is predominantly at a local level, particularly around city centre recovery and community renewal. However, regional, national and indeed, international, opportunities were also identified, including being part of larger-scale events or tours, significant celebrations and anniversaries.
“We are not going back to the organisation we were and we shouldn’t, and I’m pretty sure our audiences don’t want us to”
(Independent, England)

“We took a lot of the learning from the health and wellbeing work that we’ve been doing out in communities and have applied that to our thinking about the visitor experience”
(Independent, England)

“Development of online events offer new collaborative programming opportunities nationally and internationally, growing audiences for us and for partner organisations”
(National, Scotland)

“What does it mean to develop a new ethics of care: of objects, collections, people, beliefs?”
(University, England)

“We’re pioneering new robotic technology via our robot tours which are proving to have a catalytic impact on wellbeing and in garnering new audiences”
(Independent, England)

“We’re going to focus on the visitor economy and wellbeing, the two that we think are going to carry us through in terms of being as indispensable as possible… we think that’s probably the sweet spot in terms of what we can offer that dovetails with what is needed”
(Local Authority, England)

“We’re looking at city centres, which won’t be full of shops… I think culture is going to become really important in that agenda. So that’s a positive I think, to look at how we work outside, how we fit into regeneration”
(Local Authority, Wales)

“We’re so creative, we’re constantly spilling out ideas and constantly looking at partnerships and taking up offers of collaborations, and it’s knowing how to prevent overload… We’re all good at accreting stuff, aren’t we, and actually the hardest decisions are often what do you stop doing”
(Independent, England)
The role of Art Fund

Visitors at the National Gallery, London, on 31 July 2020, after the museum reopened on 8 July following the first UK lockdown © Andy Smith/Art Fund 2020
OVERVIEW

Art Fund’s independence and UK-wide remit give it a much-valued position within the sector ecology. It is viewed as having expertise and influence beyond its scale.

As other funders tighten their requirements and become more prescriptive, Art Fund is viewed as a funder that can allow more freedom to experiment and take risks, responding with greater flexibility.

Although opportunities to try new ways of working are important, as the sector builds back from Covid-19, it is for some of the basics that many organisations will need support, for instance, marketing, exhibitions and gallery redisplays, and work with schools.

Championing and supporting ‘behind the scenes’ work is considered an important function for Art Fund. This includes the role of the curator and exhibitions and collections research.

Providing funding for acquisitions and commissions is still seen as a vital role for Art Fund, particularly in Scotland and Northern Ireland and in University settings, where other sources of funding for these activities are harder to find.

These more ‘traditional’ activities might be delivered in new ways, such as acquisitions selected through community co-curation or a package of care and support around an artist beyond the commission.

Workforce and audience diversity is seen as vital to the long-term health of the sector but the funds to properly resource their development are missing. Art Fund can take a lead role here.

Art Fund’s professional network is seen as having great potential to support the extension of partnerships and collaborations, helping organisations to connect and share in new ways. This includes helping organisations to develop and fund shared posts, sharing practical tips for working digitally and supporting innovation.

Art Fund’s unique position means it can advocate for the value of museums and galleries to Governments, Local Authorities, the media and the public. This is seen as a vital function, particularly in helping to reposition the sector as fundamental to the UK’s recovery.

PRIORITIES FOR ART FUND SUPPORT

The role of Art Fund

Priorities for support
All areas of support

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<td>None of these</td>
<td>Funding to help you extend your audience reach</td>
<td>Funding for exhibitions and collections research</td>
<td>Funding for exhibitions and gallery redisplays</td>
<td>Funding and support to strengthen links with schools and engage young people</td>
<td>Funding to broaden cultural and ethnic diversity of your audience</td>
<td>Advocating on behalf of the sector to Government and policy makers</td>
<td>Funding to try new ways of working and types of activity</td>
<td>Funding for acquisitions and commissions</td>
<td>Networking, knowledge sharing and training opportunities</td>
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“Art Fund has, and can provide, freedom”  
(University, England)

“[I would like to see] Funding for that kind of ‘laboratory’, which perhaps other funders might be more cautious about supporting”  
(Independent, England)

“Please, please don’t just look for the innovation because that’s really annoying... We want our basics to be addressed before we move on, before we build on that... It’s all about innovation and moving forward, which of course we would all love to do, but some of us have got to move the buckets around every day”  
(Local Authority, England)

“The future is collaborative”  
(University, England)

“Give us the reach that we don’t have”  
(Independent, England)

“It’s incredibly hard to get funding for contemporary collecting”  
(Independent, Scotland)

“There’s a need to support the ecology of the individual creative practitioner because these are the people that organisations will draw upon for venue ideas, for their products, for their responses to their collections”  
(Independent, England)

“A lot of our stakeholders don’t realise we do all this work whereas we live it and breathe it”  
(Independent, England)

“Towner Eastbourne, joint winner Art Fund Museum of the Year 2020  
© Marc Atkins/Art Fund 2020
Conclusions
IN SUMMARY

— The ‘museum’ is no longer a static site, but includes the digital and community arenas as equally valid spaces in which to operate.

— Health and wellbeing, digital engagement and relevance are central to museums’ ambitions, delivered increasingly through partnerships. Art Fund can play a central role in supporting the development of partnerships and enhancing shared working practices.

— Many organisations are now trying to do more with less – with overstretch comes concern over staff wellbeing and maintaining quality standards.

— Art Fund’s independence is one of its key strengths. It can use its position to advocate for the breadth of work being done in the sector, and to champion major issues, such as workforce diversity.

— Over half of museums are concerned about their survival and the future is very uncertain. The pandemic has had a significant impact on museum visitors and finances, and various factors point towards a long and slow recovery. For smaller organisations, funding to address the basics and to support posts, curatorial research and acquisitions/commissions will be much needed.

— Attracting visitors back is a priority and organisations are seeking to both extend their reach and deepen their engagement with a wide range of audiences, including schools and young people.

— Museums have turned to experimentation as a survival strategy. The flexibility of funding offered by Art Fund has proved of great value in allowing organisations to experiment and take risks. This will be a vital in the period ahead as organisations continue to reimagine their futures.

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