



Northern Ireland
Assembly

**COMMITTEE FOR
CULTURE, ARTS AND LEISURE**

**OFFICIAL REPORT
(Hansard)**

**Impact of Spending Plans: NI Museums
Council**

23 September 2010

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Barry McElduff (Chairperson)
Mr Declan O'Loan (Deputy Chairperson)
Lord Browne
Mr Thomas Burns
Mr Billy Leonard
Mr Kieran McCarthy
Mr Raymond McCartney
Miss Michelle McIlveen
Mr Ken Robinson

Witnesses:

Mr Chris Bailey) Northern Ireland Museums Council

The Chairperson (Mr McElduff):

I welcome Chris Bailey from the NI Museums Council and invite him to make an opening statement.

Mr Chris Bailey (Northern Ireland Museums Council):

Thank you for the invitation to come before the Committee. I have two points to make before I open. First, I am not going to expand on the work of the Northern Ireland Museums Council, as the Committee is well aware of what we do in detail through the inquiry into museums policy. Secondly, with regard to what we have done over the summer months, this is one of the culminations of a series of projections that are at this stage, and there may be a sense of

pragmatism around those projections.

We have worked closely with our colleagues in the Department to feed into the difficult task that it has in trying to square the circle for the whole Department. You will see from our paper that there are three areas that would be open to cuts if we had to make them, and administration is one area. In not dissimilar fashion to what you have heard from Libraries NI, we have trimmed and trimmed such areas as office costs and management costs over the past few years, and we feel that we are a very lean and mean organisation in that regard. Some of the incurred additional costs — not just inflation such as the increase in fuel prices — that have had to be absorbed include the changes coming from and required by the Department of Culture, Arts and Leisure (DCAL) and a particular statute. Moving forward on that, we will not be exempt from the 2.5% VAT increase.

That brings us to the question of where else cuts can be made. Two other areas of our work are available. One area is operational costs, which includes staffing, and the other area is grants. The former is essential to what we do in pursuit of our goals, and the latter is essential for the museums to fulfil both their goals and our goals. However, those are the only areas of flexibility that we can suggest.

The Northern Ireland Museums Council has four staff, and one is working on reduced hours at the moment. We subscribe to the Northern Ireland Civil Service terms and conditions and, therefore, in much the same way as you have heard previously, we would have to negotiate inside that collective agreement. A reduction in staffing levels on that basis would have quite a disproportionate effect due to the size of the organisation: the loss of one member is a 25% reduction in capacity.

As you will have heard from the evidence through the inquiry, the grants that we distribute are small but essential, or deemed so by the museums. This year, we will distribute £73,500. If, according to the projection that you have heard from the overall departmental budget, we were to take out £20,000, it would mean a 27% reduction in the level of financial support that we would give to museums.

That would have an impact of an additional £7,000, because we require a 35% match by grant recipients. Therefore, that is a total loss of £27,000, which is small beer in the bigger picture, but

is equivalent to the subvention of three education officer posts at museums or 10 conservation projects across the local museum side in each year of the comprehensive spending review (CSR).

My board obviously wishes to protect our capacity to provide grant assistance to the museums, to meet all of the business objectives and to avoid the double whammy of reduced budgets. It is likely that the voluntary museums and the local authority museums will see their budgets decreased; for the availability of grant money through us to also decrease will have an impact, particularly on the voluntary museums.

The impact on museums in the medium term is difficult to quantify, because it is an exponentially accumulative impact that will be felt more in the medium to long term. To draw an analogy it is like the small leak in the roof that you do nothing about because it is not a big issue, but, over time, you will end up having to spend time and effort addressing its impact. Another analogy is the postponement of an inoculation programme against a particular disease. You will not notice anything immediately, but if you do not address the small things now or apply the constant tension and pressure to the key issues, you are only storing up problems that will be more difficult and costly to rectify in the future.

In the whole scheme of things, we are a small body, and so far I have taken a microcosmic look at the position. The bigger picture is that the reduction of our level of support would curtail our capacity to deliver in two areas on which we have published recommendations and reports: education and learning, which is a vital public benefit of museums; and marketing and audience development, which will have a particular impact on the tourism industry. Both of those are key underpinning rationales for attendance at local museums, which have significantly increased from just over 443,000 in 2006 to 603,000 in 2009. Therefore, exponentially we are on a good learning curve.

In these times of uncertainty it is essential that we clarify what points are prioritised and focused on. The nascent museums policy, which as you know is currently out for consultation, provides that indispensable touchstone. Given that that policy has been carefully designed and crafted so as not to be dependent on any level of resourcing, nor reliant on the availability of any additional money, I hope and advocate that that policy is fast tracked for implementation, rather than held up by any misperception about the need for constraint.

The Northern Ireland Museums Council is a resilient, resourceful and creative organisation. Our status as a company limited by guarantee and our charitable status allow us to be a lot more flexible in acquiring additional resources, rather than just through the departmental purse. Indeed, that is one of the advantages that we bring to the table over and above some statutory agencies, which are unable to move with as great ease as us to creatively look at generating more income or obtaining the income we can through trusts and foundations.

In the past, we have been successful in that, and we anticipate that we will be successful in doing so in the future. That perhaps bears up a more optimistic outlook of the glass being half full rather than being half empty. With our departmental colleagues, we have been working on the projection that there will be 5% less in the glass, but that is only a projection and it could be much worse. My board has taken the decision to continue to look at various scenarios, and, after 20 October, we may be able to work with clarity.

The Chairperson:

Thank you, Chris.

Mr Leonard:

On the issue of additional resources, I appreciate your comment that the glass is half full — fair play. I do not wish to go the other way and say that the glass is half empty, but, given today's climate, can you flesh that one out a bit?

Mr Bailey:

Yes, certainly. To give you an example, one of the key aspects of what we deliver is training for the sector, both for the institutions and the continuous professional development of individuals. We feel that we have judged the fees that we bring in from training to be within the budget parameters of what the museums can cope with. However, we are also aware of the possibility that we could extend training to the broader heritage and history sectors. We are in discussions with our colleagues in the Heritage Council in the Republic of Ireland to look at the possibility of delivering training across the border. The difficulty is in squaring the fact that, although a needs audit showed that there is a desire and a need for the training, no one has any money. That gives you an indication of where we are looking at, and there are other irons in the fire as well.

Mr O’Loan:

Thank you for your balanced and comprehensive presentation. I commend your work, particularly at Ballymena museum, which has a good reputation. DCAL’s budget is the smallest departmental budget, and yours is a small element of that. There is an argument for giving some protection to a very small body because, at some point, there becomes an irreducible minimum to make an organisation viable. However, as you know, the pressures are there. You talked about your ability to lever in further money, and your history of doing so. Can you be a bit more explicit about your record of accessing further money?

Mr Bailey:

I will give you a quick sketch of the latest work, which is the partnership that we developed with our colleagues in National Museums. By next January, with money from the Heritage Lottery Fund, 12 bursaries will be established for entry-level aspirants — people who wish to work in the museums sector. We intend to give them a year-long placement and the necessary training in an applied approach. Six of the bursaries will be in the national museums, and six will be in the local museums. We led that bid, which brought more than £250,000 into the sector from the Heritage Lottery Fund.

Mr O’Loan:

I have a small point that goes into the minutiae on grants. Of course, the amount that you give out in grants is small as a proportion of your overall budget, but, nonetheless, it is significant. Applicants have to find 35% to match your 65% — could you vary those percentages to eke out your grant budget if it happened to be reduced?

Mr Bailey:

We could. We have obviously been in touch with the museums that avail themselves of our grants, and that percentage is about right. In theory, there is nothing to stop us varying it. We do not necessarily require all of the match funding — the 35% — to be cash in hand. For example, one of the key strengths in the museums sector is the level of volunteering. In some of the voluntary museums we allow that 35% to be costed as voluntary labour in order to demonstrate commitment in kind, rather than in money. Therefore, there is also that flexibility.

Mr K Robinson:

I congratulate Chris on his pragmatic presentation. We are a wee bit surprised, perhaps, by the approach that you have taken. Nevertheless, you are looking for alternative streams of funding and you are looking at money coming in via training programmes, and so forth. Have you factored in the impact on local government or local museums, which are also under pressure and may not be coming to seek the expertise that you may be able to impart?

Mr Bailey:

It might be the other way round. In times of astringency, they seek our services a lot more, particularly for advice and guidance.

Mr K Robinson:

Are they willing to pay for it, though? You want to improve alternative funding streams — will they be willing to pay you for your advice?

Mr Bailey:

They pay through being subscribing members of the organisation. We levy a membership charge. Obviously, when budgets are squeezed, people look at their memberships. However, they need to be members in order to unlock grants from us. More to the point, however, when that happens, we need to be able to respond, and that is the point that I was making about the essential need not to reduce our staffing level. Around 82% of our operational cost is staffing, and that is the resource that is drawn on in times of need. Indeed, one of the key components of that is to be able to do the radar work of seeing what everybody else is doing and trying to uncover some imaginative wheezes that may appear elsewhere. As part of this exercise, we are keeping close contact with our colleagues in England, Scotland and Wales and also in the Republic of Ireland.

The Chairperson:

Thank you, Chris, for the briefing paper and for your presentation. The Committee will consider it and put it into its comprehensive response to the Department.