

Museums Galleries Scotland's response to Constitution, Europe and External Affairs and Culture Committee Pre-Budget Scrutiny 2025-2026

Planned budget increases

The Scottish Government committed to increasing its investment in arts and culture by £100 million by 2028-29. In doing so, it said it will—

- *Increase opportunities for participation in creative pursuits;*
- *Support the production of new works; and*
- *Ensure that Scotland's cultural output has platforms at home and abroad.*

The Cabinet Secretary for Culture indicated that £25 million is intended to be added to the culture budget for 2025-26.

1. How should planned budget increases for the culture portfolio in Budget 2025-26 be prioritised to support improved cultural outcomes?

It is vital that the needs of all parts of the culture sector are given full consideration in relation to the planned budget increases.

Museums Galleries Scotland (MGS) is the national development body for Scotland's 452 museums and galleries. Nine of these are national museums and the other 443 are referred to as non-national. This group includes 127 civic (local authority/arm's length organisations), 260 independent and 23 university museums.

In 2024/25 MGS has just £1million in grant funding from the Scottish Government to distribute to non-national museums. This amount is inadequate to meet the urgent needs and ambitions of 98% of the sector and compares poorly with other parts of the culture portfolio.

The media focus has often been on the needs of the arts sector and of national institutions, and we acknowledge these severe pressures, however the same pressures are felt across all of Scotland's cultural provision.

We welcome the Scottish Government commitment to invest at least £100m more annually in the arts and culture by 2028-29 and while we acknowledge that there will be great pressure on how to allocate, we ask that museums are not overlooked as decisions are made.

Many of Scotland's museums and galleries are in crises

The urgency of the need for investment in Scotland's museum and galleries is highlighted by responses to a July 2024 survey. The results show many are in a precarious position.

- 11% of respondents feel their organisation is at risk of closure in the next 12 months

- 14% have less than 1 month of reserves
- 28% have less than 3 months of reserves

Financial challenges dominate with rising costs and public sector funding cuts and the result is a severe hollowing out of services. The increased cost of keeping the doors open and the lights on is seeing the sacrifice of the value-adding, outreach and engagement programmes that deliver benefits across-portfolios including health and wellbeing and education.

The financial cost of sustaining these programmes is relatively small within the wider context of the culture budget, yet the knock-on cost of losing these community benefits is significant and should be factored into decisions.

The fragile situation of Civic Museums – 28% of the sector - has reached tipping point. Museum closures have been already announced or are on the table in a number of local authority consultations.

There are serious concerns over the financial stability of several of our Industrial Museums, sites and collections that tell the story of Scotland's industrial and social development, where the scale of collections and buildings presents a particular challenge of rising costs.

This year the Scottish Funding Council has cut funding to four university museums entirely and cut the budgets of the remaining university museums by 20%.

Funding disadvantages faced by museums in comparison to the rest of Scotland's culture sector, and in relation to museums and galleries in other parts of the UK, are a barrier to recovery. For example:

- Unlike arts organisations, through Creative Scotland, and historic environment organisations, through Historic Environment Scotland, there is no route for museums and galleries in Scotland to apply for core funding to support running costs. In England, DCMS funds a network of regional museum services on a three year funding cycle similar to Creative Scotland's RFO status.
- Again, unlike arts organisations and historic environment organisations, project funding for museums and galleries is restricted to those holding Accreditation status. This leaves 40% of the sector with virtually no access to any public funding. These non-accredited museums provide a vital role at the heart of communities across Scotland's geography and our vital to our cultural and tourism infrastructure.
- Scotland's museums have virtually no access to capital funding – this is an issue for museums as they need to ensure the collections they hold on behalf of Scotland's people are cared for. The poor condition of buildings is putting collections at risk and limits their ability to be used as safe public spaces. MGS has just £200,000 of capital funding to award to the sector in 2024/25. Our museums compare poorly with England's in the absence of an equivalent of their Museum Estate and Development Fund (MEND).

In addition to building maintenance it is important to recognise the particular obligatory financial demands on museums, specifically the cost of conserving and caring for huge collections on behalf of the country, that other cultural organisations do not face.

Reduced workforce and capacity issues resonate throughout the sector

The sector survey highlights a changing workforce with an increasing proportion of posts in front of house roles (42% up from 34% just 3 years ago) while curatorial roles fell to just 6% and collections management roles halved. Education, learning and participation roles, which deliver vital audience engagement, are down to just 4% of the museum workforce.

The loss of specialist roles and skills is very concerning for the future of our sector. We are losing the ability to care for and share the stories of the collections we hold for the people of Scotland. This expertise takes many years to rebuild if lost.

The depletion of the volunteer workforce is also causing pressures especially for a sector where 96% of organisations rely on volunteers.

Investment in museums and galleries supports improved cultural, social and economic outcomes

Museums and galleries are important sites for community engagement and their Scotland wide locations mean they can often offer the principle access to culture in rural areas. Through the inclusion of Culture and Creativity in National Planning Framework 4 the Scottish Government set an ambition to create locally distinctive places that reflect the diversity of communities, support regeneration and town vibrancy. Museums help to create thriving communities, activity working to ensure they are inclusive spaces and tell the stories of all of Scotland's people. Museums also bring proven benefits for health, wellbeing and education.

Their geographic spread and focus on inclusion mean that investing in Scotland's museums and galleries ensures access for realising the United Nations' human right to participate in the cultural life of the community.

Museums are already working to deliver against Government priorities as set out by the First Minister, John Swinney MSP to grow the economy, tackle the climate emergency and improve public services.

Culture Strategy Action Plan

The Scottish Government published its refreshed Culture Strategy Action Plan in December 2023.

The Cabinet Secretary told the Committee last year that "the priorities" for the "increased investment through to 2028-29 will be taken forward in line with our Culture Strategy Action Plan Refresh."

2. To what extent does the Culture Strategy Action Plan deliver the Committee's recommendation that it should "provide a clear and strategic sense of how the Scottish Government is working to ensure a more sustainable future for the sector"?

MGS supports and champions the vision for the Scottish Government's Culture Strategy to place culture as a central consideration across all policy areas, including health and wellbeing, economy, education, reducing inequality and realising a greener and more innovative future.

However, we are at the stage where investment and coordination of delivery is required to realise that vision. We are aware of some frustration at the lack of visible progress and leadership from Government to realise the action plan will be advantageous going forward.

3. How should the Culture Strategy Action Plan inform the budgetary decisions of the Scottish Government, and the priorities and spending decisions of other partners in the culture sector?

Scotland has a Culture Strategy that was created through extensive consultation to set out shared priorities. Logically it should inform budget priorities as it can only be delivered with appropriate resources.

Investment in organisations who are demonstrably and effectively delivering the Culture Strategy would ensure progress in achieving the objectives.

The [Strategy for Scotland's Museums and Galleries \(2023-2030\)](#) sets out clear actions that are supporting our museums to connect with their communities and bring social impact for all. As the museums strategy was published ahead of the Culture Strategy Action Plan refresh, MGS were able to highlight areas of alignment to the Culture Strategy team. This alignment clearly demonstrates how our sector is already, and with further investment, poised to further deliver the Culture Strategy.

In January the Scottish Government accepted in full the recommendations of the Empire, Slavery and Scotland's Museums project. We welcome the Cabinet Secretary's commitment to carrying forward this work and the initial investment in supporting the next steps. Significant additional investment will be required to deliver the recommendations and support the new organisation leading this work.

Progress on innovative funding solutions

In our report last year, the Committee expressed concern that there had been—

- *No indication of progress made by the Scottish Government on our recommendations on mainstreaming culture across portfolios and developing cross-portfolio funding for culture;*
- *No indication of progress made by the Scottish Government on its 2021 Programme for Government commitment to "begin work on establishing a 'Percentage for the Arts' scheme"; and*
- *Limited progress on the Scottish Government's 2021 Programme for Government commitment to "invest in much-needed stability for the cultural organisations that we provide regular funding for, by agreeing 3-year funding settlements, to allow them to plan for a sustainable recovery".*

The Committee's view was that there is a need for much greater urgency and a clear pathway to make tangible progress on these innovative funding solutions.

4. What progress has been made in the last 12 months on taking forward innovative funding solutions?

MGS shares the Committee's sense of urgency to see mainstreaming of culture across portfolios and developing cross-portfolio funding for culture. We welcome the Culture Strategy Action Plan's clear understanding and endorsement of the transformational power of culture in achieving a broad range of policy outcomes. Increasing access to cross-portfolio funding would enable the continuation of the important programming by museums and galleries in areas such as climate, health and wellbeing and education.

Figures from the Local Government Benchmarking Framework show that the cost per visit to civic museums has reduced by -15.9% since the pre-Covid period. The sector has innovated in income generation and maximised its potential for efficiency savings. After decades of real-terms reductions in funding a reduction in service is the inevitable result if no additional resource is made available to meet rising costs.

Due to the acute financial pressures on museums across Scotland we believe that a review of funding models for museums in Scotland is needed. This review should examine the operating context and delivery models for museums at all scales across Scotland and explore how investment could be used to support a sustainable museum sector.

It is important to note that it is extremely difficult to innovate within one year funding settlements so this would be a key benefit of multi-year funding.

The Committee has previously stated its support for a 'percentage for the arts' scheme. We firmly believe this should be a percentage for **culture** as a whole and call on the Committee to support setting a target of at least 1% of overall Scottish Government investment in culture.

Creative Scotland's Multi-Year Funding Programme

A significant change in the culture funding landscape moving forward will be the implementation of Creative Scotland's new Multi-Year Funding Programme. It will offer funding for creative and cultural organisations, supporting core costs and their programmes of work for the initial period of April 2025 to March 2028.

5. How successful has the process of implementing Creative Scotland's Multi-Year Funding Programme been thus far in delivering longer-term clarity and confidence for the culture sector?

Museums in Scotland have no access to multi-year funding and neither does MGS as the national development body. This places a serious barrier to forward planning and does not create the conditions for innovation, as well as contributing to a lack of confidence and impacting on workforce wellbeing.

Fair work

The Scottish Government has said it will "continue to work on making the culture and heritage sector part of Scotland as a Fair Work Nation by 2025".

A Culture Sector Fair Work Task Force has been established to provide recommendations on priority actions that Scottish Government and partners can take to further Fair Work across the culture sector in support of the creative and cultural workforce.

Fair Work is also one of Creative Scotland's three strategic priorities and one of their funding criteria.

6. What progress has been made in delivering fair work across the culture sector and what should be the priorities for further progress?

MGS champions Fair Work and actively supports progress in this area by the museums and galleries sector. Fair Work is a priority area in the Strategy for Scotland's Museums and Galleries. Our ambition is that Scotland's museums and galleries will be places where Fair Work drives success, wellbeing, and prosperity for individuals, organisations, and society as a whole.

MGS updated our grants outcomes and expectations in line with Fair Work commitments. Applicants are required to confirm that they pay all direct employees the real Living Wage and that they provide appropriate channels for effective voice.

The Fair Work conditionality for grants has helped to drive forward the implementation of the real living wage in the sector. However, it has caused some museums to be locked out of applying for grants because they are unable to afford to pay the real living wage. In other cases, some museums are paying the real living wage to the lowest paid staff but they cannot afford to implement pay increases across the rest of the pay scale.

The museums and galleries sector supports that Fair Work and payment of the Real Living Wage is the right thing to do, particularly as we need to address historic low pay in the sector, however implementing it does pose financial challenges when core budgets are restricted.

Budget forecasting is also a challenge as the Real Living Wage has increased at 10% in each of the last two years, creating a real issue for pay awards for staff just above the Real Living Wage.

So far 45 organisations operating 139 of Scotland's 452 museums are Real Living Wage accredited. A priority to further progress should be to address and support the financial challenges of implementing.

MGS has developed a suite of resources to support the sector to implement Fair Work. The following article illustrates how museums are putting Fair Work into practice.

<https://www.museumsgalleriesscotland.org.uk/blog-article/focus-on-fair-work-in-action/>