

Culture and Sport Committee

10.00am, Monday, 30 November 2015

Museums and Galleries Update

Item number	7.2
Report number	
Executive	
Wards	Citywide

Executive summary

This report details the ways in which the Museums and Galleries service provided by Culture and Sport is maximising income streams across its venues, services and activities. The report details the new income streams being developed by Museums and Galleries, through income diversification, innovation, partnerships and business development, to meet the service's existing and future income targets.

The annual net revenue spend of £2.2m on Museums and Galleries represents approximately 0.23% of the Council's revenue budget. Data from the 2013/14 Local Government Benchmarking Framework shows that the cost per museum visit went down over the three years to 2013/14, and was lower than in any other major Scottish city authority. Satisfaction with the Council's museums and galleries was recorded as higher than for any other Scottish local authority over the same period.

Links

Coalition pledges	P24 and P31
Council outcomes	CO20 and CO25
Single Outcome Agreement	SO1

Museums and Galleries Update

Recommendations

It is recommended that Committee:

- 1.1 notes that the Museums and Galleries service continues to deliver a high quality customer service and maximise income;
- 1.2 welcomes the progress made on the Calton Hill project, for which an additional £2.4m of external funding has been secured this autumn.

Background

- 2.1 A business case for modernising the Museums and Galleries service was made in a report entitled [A New Future for the City's Museums and Galleries](#), which was approved in February 2008 by the then Culture and Leisure Committee.
- 2.2 This long term modernisation programme, begun in 2008, is still under way. A selection of reports detailing key steps taken since then is provided in the Background Reading section below.
- 2.3 The modernisation approach is based on prioritisation, re-positioning, partnership development, property rationalisation (through alternative uses) and income generation. This will ensure that the Council provides a sustainable, high quality, vibrant and relevant museums service that meets the expectations of visitors whilst also contributing to the well-being and quality of life of local residents. Targets are provided in the [Edinburgh Museums and Galleries Service Plan 2013-2018](#). Key elements of this detailed plan are reported regularly to the City Strategy and Economy management team.
- 2.4 As a result of this modernisation programme, there has been a culture shift in how the service is delivered; there is now a stronger focus on income generation coupled with recognition that the visitor is the main priority and that quality is essential. An increasingly customer-focused, entrepreneurial approach is developing which will ensure continued improvement and effective use of resources.
- 2.5 Partnership working is central to a sustainable service. It allows the service to develop through the effective use of resources while reducing revenue spend.
- 2.6 Successful partnership working to date includes:
 - 2.6.1 the restoration of key monuments within the city in partnership with the Edinburgh World Heritage Trust, including the Nelson Monument, which generates income from visitors, and most recently, the Jawbone Arch

which has been restored and at the time of writing, is scheduled to be reinstated in the Meadows in early 2016

2.6.2 the ongoing restoration of the Old City Observatory and City Dome on Calton Hill in partnership with the Collective Gallery. A £3m Phase II development is under way, supported by the Capital Asset Management Programme, the Heritage Lottery Fund, Creative Scotland, Edinburgh World Heritage Trust, Historic Scotland and other funding bodies. Most recently, this project was awarded £1.3m by the Heritage Lottery Fund, £905,000 by Creative Scotland, and £233,000 by Historic Scotland via the Edinburgh World Heritage Trust. The planned completion date for the project is 2017.

2.7 Income maximisation is integral to all aspects of service delivery and is central to customer service excellence. The Museums and Galleries service makes applications to trusts, foundations and grant-making bodies for income to support its projects, acquisitions, capital improvements and staffing. In addition, the service earns income through various activities to help deliver the service. In 2014 a decision was taken to provide a proportion of this earned income towards the Council's savings targets. In May 2015, in an update provided to the Finance and Resources Committee on the Museums and Galleries income and savings targets, the following figures were presented:

Baseline income target (£)	Income targets increased to produce savings towards the Council's budget savings target (£)			
2013/14	2014/15	2015/16	2016/17	2017/18
564,597	595,597	639,097	670,097	702,097
	Element of income from each year's overall target allocated to the Council's budget savings target			
	31,000	43,500	31,000	32,000

2.8 The most significant source of income earned by the Museums and Galleries service is the admission charge for visitors to the Scott and Nelson Monuments. Between April 2008 and March 2013, this generated just over £1m in total.

2.9 Other income is earned through:

2.9.1 retail;

2.9.2 catering;

2.9.3 the admission charge to Lauriston Castle;

- 2.9.4 the public programme (events, lectures, family and children workshops);
 - 2.9.5 venue hire;
 - 2.9.6 donations;
 - 2.9.7 the picture loan scheme;
 - 2.9.8 professional advice and expertise commissioned from Museums and Galleries staff by external organisations;
 - 2.9.9 rentals of the Tron Kirk; and
 - 2.9.10 the admission charge to selected exhibitions at the City Art Centre.
- 2.10 The 2013/14 Local Government Benchmarking Framework shows that the cost per museum visit went down over the three years to 2013/14, and was lower than in any other major Scottish city authority. Satisfaction with the Council's museums and galleries was recorded as higher than for any other Scottish local authority over the three years to 2013/14. See appendix one for data. In common with the rest of Culture and Sport, the Museums and Galleries achieved Customer Service Excellence accreditation in December 2014.

Main report

- 3.1 To meet the 2015/16 income and savings targets, the Museums and Galleries service is focusing on areas that:
- 3.1.1 have produced high levels of income to date;
 - 3.1.2 have the potential to maximise income with minimum investment;
 - 3.2.3 have been tested in the sector and shown to have the capacity to generate additional income (such as venue hire and memberships); and
 - 3.2.5 will allow the service to interact more meaningfully with target audiences and increase customer spend.
- 3.2 Specific projects in 2015/16 therefore include:
- 3.2.1 a pilot catering offer in the front courtyard at the Museum of Edinburgh during the summer months;
 - 3.2.2 a review with Ernst and Young of the existing catering offer at the City Art Centre and the potential for catering at the Museum of Edinburgh and Lauriston Castle;
 - 3.2.3 a full and detailed pricing review including competitor analysis; and
 - 3.2.4 a new donations strategy, which has been implemented this year with support from the Communications service.
- 3.3 The Museums and Galleries Service had planned to develop a Writer's Residence on an upper level of the Writers' Museum, above the public galleries. The Building Control Service has advised that this building cannot fulfil the modern requirements of Planning legislation relating to new changes of use. The Museums and Galleries Service plans instead to open in 2016 an expanded retail offer on the ground floor of the Museum together with a flexible performance space. The latter will be available for hire, and will provide an

opportunity for writers to meet and engage with audiences in a purpose-designed intimate space.

- 3.4 As part of a new digital strategy for the Service, interactive exhibits were created and launched at the Museum of Edinburgh in July 2015. Working in partnership with Edinburgh-based company Insurgent Studios, the Museum of Edinburgh has developed two interactive exhibits which blend history and technology to enhance the experience of visitors. One focuses on the Huntly House courtyard to the rear of the venue and the second on the Museum's Earl Haig Collection. The Edinburgh-born World War I British Commander created the Royal British Legion and raised funds for the welfare of ex-servicemen after the war, and the exhibit explores his life from a military and personal perspective through a set of period objects. Visitors are able to 'touch' the items recreated in virtual form to reveal, at their own pace and in a variety of languages, how each one relates to the Earl's life. This approach has enabled the museum to show some items from the collections which would otherwise not be on display. Insurgent Studios has also created a [microsite](#) detailing the experience of creating and using the exhibits. An app entitled [Edinburgh Up Close](#) was developed by Neatebox in partnership with the Service and launched in the summer. This gives users insight into the history of closes on the Royal Mile.
- 3.5 In the light of the Council Transformation Programme, the Service continues to examine ways to maximise high quality customer experiences while minimising revenue costs and this may result, for example, in alterations to the pattern of opening hours. If such a proposal were progressed, the Service would consult the staff and Trades Unions.

Measures of success

- 4.1 A continued increase in visitor numbers, increase in spend per visitor and achievement of income targets.

Financial impact

- 5.1 Some of these business development activities may require investment to realise their potential. If so, business cases will be developed to ensure that Museums and Galleries continue to achieve income targets for the service. The annual net revenue spend of £2.2m on Museums and Galleries represents approximately 0.23% of the Council's revenue budget

Risk, policy, compliance and governance impact

- 6.1 There are no compliance or governance impacts arising from this report's recommendations. The risk is that changes to the service and new initiatives working in partnership to modernise the historic assets operated by the Museums and Galleries Service within Culture and Sport do not result in increased income and visitor numbers.

Equalities impact

- 7.1 The Museums and Galleries service offers free access to its venues and permanent collections, and, via its Outreach service, a free service to local communities. Outreach programming is designed to actively reach out to excluded communities and to foster inclusion in line with the public sector duties of the Equality Act 2010.

Sustainability impact

- 8.1 In common with other parts of Culture and Sport, Edinburgh Museums and Galleries venues are participating in a project to reduce carbon emissions by 2020 and to ensure waste is kept to a minimum.

Consultation and engagement

- 9.1 Consultation on the Museums and Galleries proposed Service Plan for 2013 – 2018 was previously undertaken with staff, stakeholders and the general public.

Background reading/external references

All of the Business Bulletins presented to the Culture and Sport Committee to date, plus the specific reports listed below.

Report to the [Finance and Resources Committee of 13 May 2015](#): Culture and Sport: Income Generation in Museums and Galleries

Report to the [Culture and Sport Committee of 16 December 2014](#): Update on Edinburgh Museums and Galleries Service Plan 2013 - 2018

Reports to the [Culture and Sport Committee of 21 October 2014](#): Ross Fountain; Museums and Galleries Volunteering Programme.

Report to the [City of Edinburgh Council of 21 August 2014](#): Proposed Acquisition of Custom House, Leith

Report to the [Culture and Sport Committee of 19 August 2014](#): Update on the Outreach Programme.

Report to the [Culture and Sport Committee of 27 May 2014](#): The Travelling Gallery

Report to the [Culture and Sport Committee of 11 March 2014](#): Redeveloping the Museum of Childhood

Report to the [Culture and Sport Committee of 20 August 2013](#): Consultation on the Edinburgh Museums and Galleries Service Plan 2013 - 2018

Report to the [Culture and Leisure Committee of 23 October 2012](#): Museums and Galleries Update.

Reports to the [Culture and Leisure Committee of 28 June 2011](#): Proposed Relocation of the Collective Gallery; Phase One of the Museums Hub; East of Scotland Museums Partnership.

Reports to the [Culture and Leisure Committee of 26 April 2011](#): Update on Museum Outreach Activities in Newhaven; Old Observatory House, Calton Hill.

Reports to the [Culture and Leisure Committee of 14 September 2010](#): Museums and Galleries Interim Staffing Restructure; Museums and Galleries New Website.

Reports to the [Culture and Leisure Committee of 27 April 2010](#): Developments at the City Art Centre; Nelson Monument Visitor Attraction Rating; Museums and Galleries: Retail Income and Performance.

Reports to the [Culture and Leisure Committee of 17 November 2009](#): Trinity Apse: Lease to Scottish Book Trust to Create Scotland's First Literary Quarter; Old Observatory House, Calton Hill.

Report to the [Finance and Resources Committee of 27 October 2009](#): Trinity Apse: Lease to Scottish Book Trust to Create Scotland's First Literary Quarter

Reports to the [Culture and Leisure Committee of 23 June 2009](#): Edinburgh International Science Festival at the City Art Centre; Future Care and Preservation of Old City Observatory Instruments.

Report to the [Culture and Leisure Committee of 6 May 2009](#): Newhaven Heritage Museum - Update.

Reports to the [Culture and Leisure Committee of 3 February 2009](#): Newhaven Heritage Museum; City Art Centre – Environmental Improvements.

Reports to the [Culture and Leisure Committee of 16 September 2008](#): Update on Newhaven Heritage Museum; Progress Report on the Development of a Business Case for the Museum and Arts Hub.

Report to the [Culture and Leisure Committee of 5 February 2008](#): A New Future for the City's Museums and Galleries.

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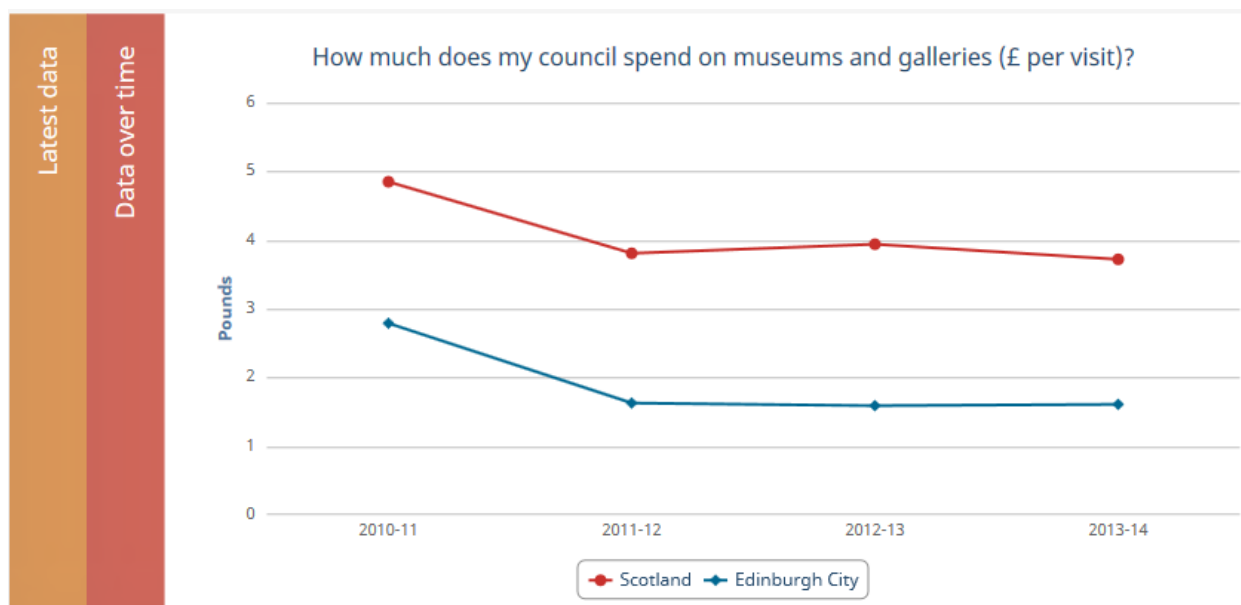
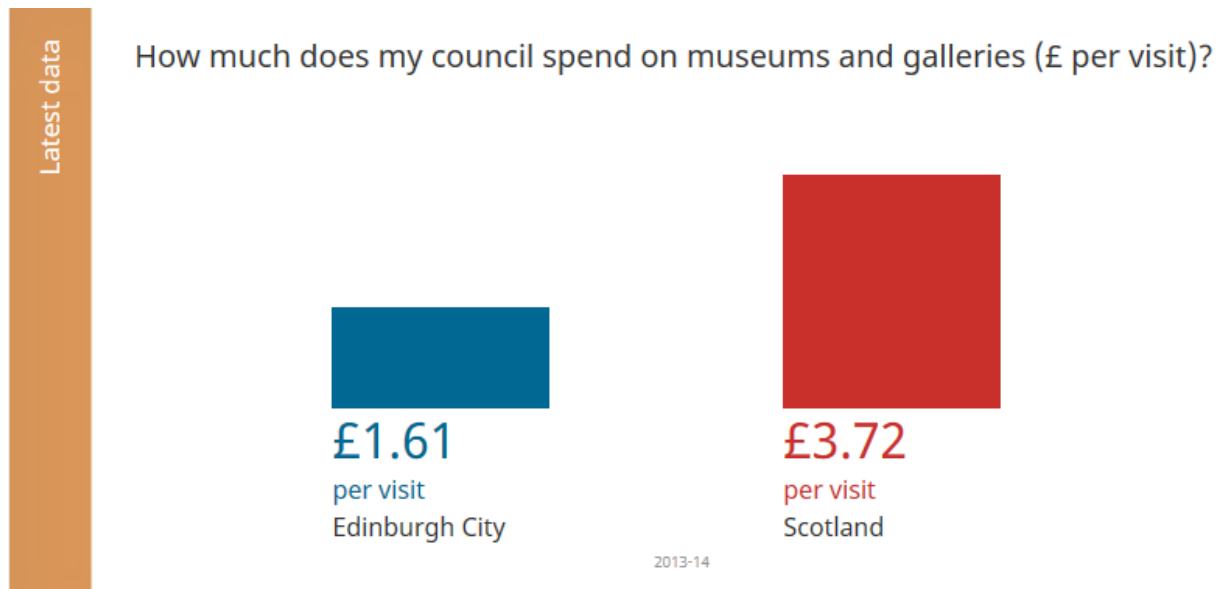
E-mail: frank.little@edinburgh.gov.uk | Tel: 0131 529 3994

Links

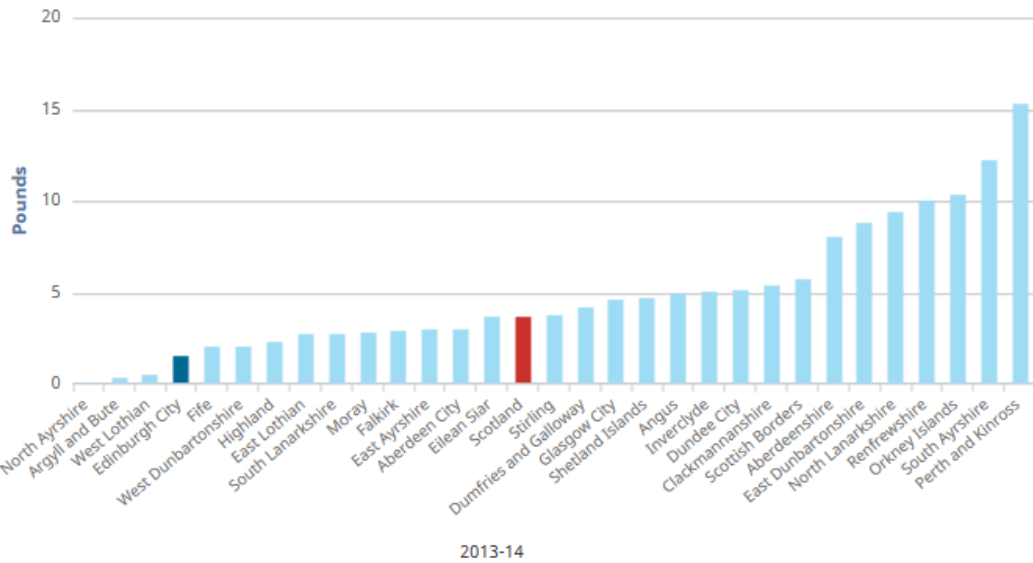
Coalition pledges	P24 - Maintain and embrace support for our world-famous festivals and events
	P31 - Maintain our city's reputation as the cultural capital of the

	<p>world by continuing to support and invest in our cultural infrastructure</p> <p>P40 - Work with Edinburgh World Heritage Trust and other stakeholders to conserve the city's built heritage</p>
Council outcomes	<p>CO20 - Culture, sport and major events – Edinburgh continues to be a leading cultural city where culture and sport play a central part in the lives and futures of citizens</p> <p>C025 - The Council has efficient and effective services that deliver on objectives</p>
Single Outcome Agreement	<p>S01 - Edinburgh's economy delivers increased investment, jobs and opportunities for all</p>
Appendices	<p>1. Data from the Local Government Benchmarking Framework 2013/14</p>

Data from the Local Government Benchmarking Framework (LGBF) 2013/14 – the graphics below are taken from the [LGBF website](#)



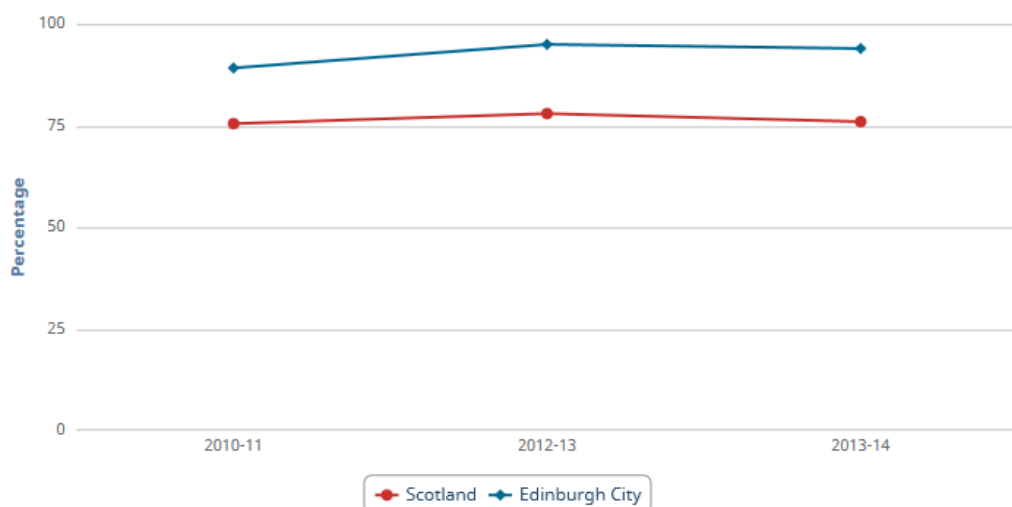
How much does my council spend on museums and galleries (£ per visit)?

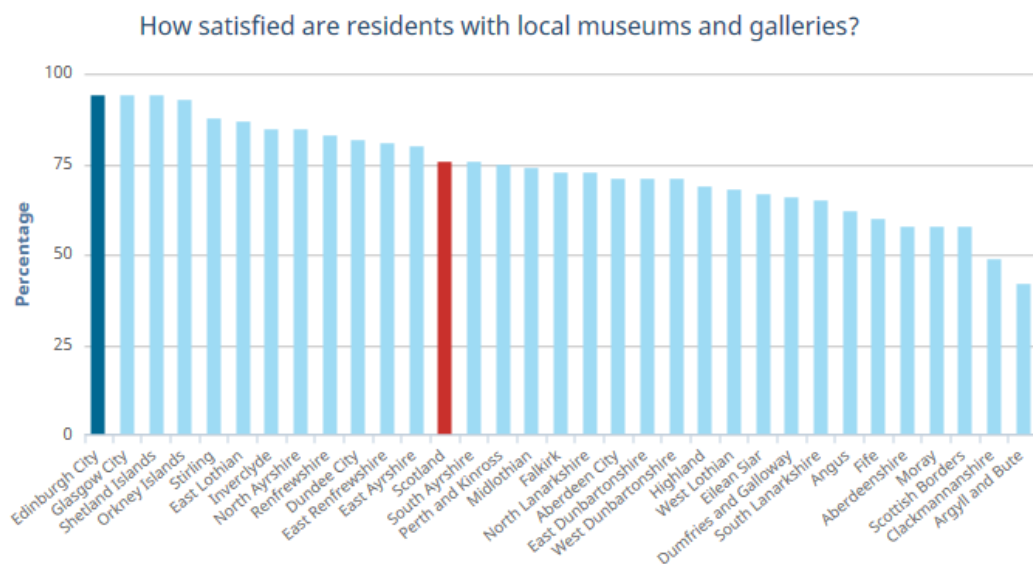


How satisfied are residents with local museums and galleries?



How satisfied are residents with local museums and galleries?





2013-14