



HOUSE OF LORDS

Library Note

Debate on 7 February: Museums

This Library Note aims to provide background information for the debate to be held on Thursday 7 February:

“To call attention to the policy to grant free entry to national museums, any subsequent assessment of the policy and any further policies the Government have to broaden the profile of those coming to museums and galleries”

It briefly outlines the Government's policy of free admission to national museums and the impact it has had on visitor numbers and museum funding.

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1. Introduction

This Library Note aims to provide background information on the Government's policy since 2001 to allow free admission to national museums and galleries. It briefly outlines how the policy has impacted on the number of visitors to museums, access for groups that have not traditionally visited museums, and on museums' financial situation.

Reaction to the policy of free admission has been broadly favourable, and various observers have judged it to be a success in terms of increasing visitor numbers. The Government has consistently cited it as a notable achievement: the 2005 Labour General Election manifesto stated that the number of people visiting formerly charging national museums and galleries had risen by 75% over three years, and Tony Blair's final speech as Prime Minister to the Labour Party Conference in 2006 included 'free museum entry that has seen a 50% rise in visitors' in a list of the Government's achievements. Equally, the policy has generally found favour within the museums sector. The *Museums Journal*, a publication of the Museums Association, reported in 2007 that 'free admission has generally been judged to be a success and comes pretty near the top of most people in museums' lists of 'things that have been good about the past ten years' (July 2007, page 13). Some have cautioned however that museums and galleries need consistent and adequate funding if they are to reach out to those who have not traditionally visited museums, and if museums' role in the cultural life of the nation is to be sustained. The directors of several national museums wrote in the *Guardian* in June 2007:

We write to express our support for free admission for the UK's national museums which has been an overwhelming success and has made our national collections accessible to all. We recognise that free admission has been a central part of this government's policy for museums and has been one of its most significant achievements. We also welcome the Conservative party's commitment to the principle of free admission.

Free admission has seen nearly 30m more visits to our world-renowned collections. Visits to former charging museums have increased by 87% and have attracted more diverse audiences. An extra 16 million children have visited museums since they were granted free entry in 1998, and the number of visits from people from lower socio-economic groups has risen to 6.5 million in 2004-05. However, it should be noted that free admission was only made possible through additional public funding. Adequate public funding remains vital if we are to continue to attract and engage with an increasing number of different audiences offering not only information, learning and enjoyment, but the potential to transform individuals, communities and society.

(letter to the *Guardian*, 'Fund museums to keep them free', 21 June 2007)

2. Background

There are some 2000 accredited museums and galleries in the UK, of which 1500 are in England. The economic benefits of the sector have been estimated to be around £1.5 billion per year, based on turnover and estimates of visitor expenditure. These institutions vary considerably in terms of their size, range of interests, ownership and funding arrangements. A small number of these, comprising some of the best-known

museums and galleries in the UK, are funded directly by central Government, specifically the Department for Culture, Media and Sport. Currently, these are:

- British Museum
- Design Museum
- Geffrye Museum
- Horniman Museum
- Imperial War Museum
- Museum of London
- Museum of Science and Industry in Manchester
- National Coal Mining Museum for England
- National Football Museum
- National Gallery
- National Maritime Museum
- National Museum of Science and Industry
- National Museums Liverpool (including the Walker and Lady Lever galleries)
- National Portrait Gallery
- Natural History Museum
- Peoples History Museum
- Royal Armouries
- Sir John Soane's Museum
- Tate
- Tyne and Wear Museums (including the Laing and Shipley galleries)
- Victoria and Albert Museums
- Wallace Collection

These institutions are often referred to as the 'national' or 'sponsored' museums, and became the Government's focus for its policy of free admission, discussed below. A number of other institutions receive a proportion of their funding from public sector sources, including many university museums and local authority museums, and a smaller number of museums that receive funding from other Government departments or the devolved administrations. These however are not included in the group above.

3. Free admission

From 1999 to 2001, the Government oversaw the introduction of free admission to those museums sponsored directly by the Department for Culture, Media and Sport. Increased public investment and allowing institutions to recover their input VAT were granted in exchange for the removal of admission charges by those institutions that previously charged for access to their core collections. Free admission for children was implemented from April 1999, for the over-60s from April 2000, and for all from December 2001.

A number of the sponsored museums and galleries had previously operated a policy of free admission, or were required by statute to provide free access to their collections, even if access was regulated by ticketing or appointments. However successive Governments had taken different approaches, with the Conservative Government in the 1980s allowing institutions to charge for admission. Nine of them had opted to do so, before the Labour Government stated its commitment to pursuing free admission.

4. Initial reaction

Initial assessments of the policy were generally positive, while cautious of the implications for museums' finances, and for the health of the sector as a whole. While many in the museum sector approved in principle of free admission, some had defended the use of charging on the grounds that it made institutions more market-orientated and responsive to visitors' needs, or that it allowed museums to be less dependent on the Government for its funding. The House of Commons Culture, Media and Sport Select Committee summarised its position thus:

The support for the principle of free admission has been unanimous in the evidence we have received (albeit alongside a range of thoughtful qualifications). **We believe that free admission for everyone to all the museums and galleries funded by the Department is an excellent joint achievement by the Government and the institutions involved and one which must not be allowed to go astray. The chief risks are the deterioration of the real value of public funding for these bodies and the reappearance of stresses and pressures on museums and galleries that caused some to introduce charging in the first place during the mid-1980s.**

Abolishing all charges has had a welcome effect on visitor numbers and the way people are using these resources. The very worst outcome of all would be an, inevitably, acrimonious reversal of this move by one or more institutions inflicting tremendous damage to the public perception of the whole sector. **We believe that the Government must tackle the whole complex of issues which is set out in this Report ... but above all it must commit itself to adequate, realistic and responsive funding of its museums and galleries over the longer term. This is the only way to consolidate the benefits achieved so far and realise the full potential of these institutions to meet their own obligations as well as contributing to the wider objectives of the Government.**

(HC 85, 2002-03, December 2002, paragraphs 5-6)

On the question of visitor numbers, the Committee noted that it was too early to draw firm conclusions (and the picture was confused by trends in the numbers of tourists visiting the UK affected by foot and mouth disease and the 'war on terror') but there were encouraging signs that more visits were being made to the newly free institutions, and from groups traditionally less likely to visit them. More work, over a longer period of time, would be needed to significantly broaden access to the widest range of socio-economic and ethnic groups. The Committee drew attention to the implications of free admission for museums whether they had previously charged or not, including lost income from admission charges and the need to compensate; greater demand for resources due to increased visitor throughput; the impact of more numerous, but shorter visits; and changes to spending at gift shops and cafes. There was also some evidence that potential visitors had been drawn away from those museums that still charged towards newly free institutions instead, and there was perhaps some initial confusion with the impression that 'all museums are now free'. The Committee concluded:

We whole-heartedly support the principle of free admission to the nation's key artistic, cultural and scientific storehouses but more specific work

needs to be done to achieve the objective of broadened access. Since the Government has called the tune, it must keep paying the piper.

(ibid, paragraph 72)

In its response to the Committee, the Government pointed to 'firm evidence of the emphatic success' of the free admission policy:

Evidence for the first full year of free access, from December 2001 to end November 2002, shows an increase of 70% (nearly 4 million) in total visitors to our sponsored museums and galleries that previously charged for admission, a 78% increase in child visitors and a 93% increase in visitors aged over 60. The number of C2, D, E visitors appears to be up by 30% at the ex-chargers since April 2001.

At the South Kensington Museums the growth in visitors following the introduction of free access has been 96%, restoring visitor numbers to the levels achieved before charging was introduced. Free access has increased the number of visitors to our sponsored Museums and Galleries in the regions as well. In the North West visits are up by 74% to almost 2 million.

(Cm 5772, February 2003, page 4)

5. Visitor numbers

Statistics on the number of visitors to directly sponsored museums and galleries since 1998-99 were set out in a House of Commons written answer:

Mr. Vara: To ask the Secretary of State for Culture, Media and Sport how many (a) UK residents and (b) tourists from overseas visited (i) museums and (ii) art galleries in the UK in each of the last 10 years.

Margaret Hodge: The information is as follows:

(a) The number of visits by UK residents to (i) museums and (ii) art galleries sponsored by DCMS are set out in the following table.

Million	(i) Museums	(ii) Art galleries
1998-99	7.70	5.32
1999-00	8.49	4.99
2000-01	11.56	7.99
2001-02	13.45	7.66
2002-03	16.56	7.47
2003-04	15.56	7.68
2004-05	16.60	8.61
2005-06	15.52	7.55
2006-07	16.04	8.76

b) The number of visits by overseas tourists to (i) museums and (ii) art galleries sponsored by DCMS are set out in the following table.

Million	(i) Museums	(ii) Art galleries
1998-99	2.54	3.51
1999-00	2.56	3.49
2000-01	4.61	4.74
2001-02	4.93	4.21
2002-03	5.31	4.28
2003-04	7.19	4.61
2004-05	6.82	4.06
2005-06	6.57	4.35
2006-07	8.91	5.34

(HC *Hansard*, 26 November 2007, col. 11W)

Other PQs have addressed the diversity of those visiting the national museums and galleries. In a written answer, Margaret Hodge, Minister of State at the DCMS, stated that some 8.4 million children under 16 visited national museums in 2006-07, an increase of 79% since the introduction of free admission for children in April 1999 (HC *Hansard*, 28 January 2008, col. 8). In a previous answer, Margaret Hodge said that since December 2001, the proportion of visits to former charging institutions by people from black and multi-ethnic backgrounds had increased by around 54%, while trend data collected between 2002-03 and 2004-05 showed that visits by people from C2DE social groups rose by 21% or 1.2 million additional visits (HC *Hansard*, 23 July 2007, col. 712W).

There are however inherent difficulties in measuring accurately the number and profile of visitors to the national museums and galleries, and arguably insufficient data to truly assess the impact of either charging or not charging on visitor numbers. These issues have been explored by Ben Cowell, Head of Museum Sponsorship at the DCMS, in an article in *Cultural Trends* ('Measuring the impact of free admission', vol. 16, no. 3, September 2007). He concludes that while the policy of free admission has undoubtedly led to increased visits and visits by priority groups (those from black and multi-ethnic backgrounds and from lower socio-economic backgrounds), the available data is insufficient to show the precise relationship between admission charges and decisions to visit a museum or gallery. In particular, many of the figures quoted concern the number of visits, not the number of unique visitors, making it difficult to determine whether museums are attracting genuinely new visitors, or more frequent visits from their existing customers.

The Commons Culture, Media and Sport Select Committee has acknowledged the growth in visitor numbers at the sponsored museums and galleries, but has indicated that the growth has not been even across all institutions:

Statistics published in December 2006 showed that visits to the museums which had charged for admission had increased by an average of 83% since the museums had introduced free entry: visits to the V&A, the Natural History Museum and National Museums Liverpool had increased by more than 100%. At the same time there had been an overall increase of 8% in visits to the museums

which had always been free, but while visits to one of them (Tate Britain) were up by 57%, the number of visits to three of the fourteen “always free” museums had fallen.

(HC 176, 2006-07, June 2007, paragraph 89)

The Committee was also concerned that the policy of free admission did not necessarily bring benefits to the museum sector as a whole:

Free entry to the sponsored museums has been acclaimed as a “huge success”, with a 70% increase in the number of child visitors, increases in educational use, and increased use of the museums by black and minority ethnic groups and by other non-traditional museum audiences. But it is important to remember that free entry is not “universal”. It has been described as being for “the lucky few” museums, and there have been suggestions that it may have an adverse impact on parts of the sector. In its 2002 inquiry on *National Museums: Funding and Free Admission*, our predecessor Committee heard evidence that, in some cases, resentment and hostility had been aroused by the continued practice of charging, when the impression had been given that “all museums are free now”. Evidence to this inquiry suggested that that impression persists and that public expectation of free entry has actually increased.

We found a wider perception that subsidised competition from free entry museums had damaged the rest of the sector, resulting in a loss of income and a drop in visitor numbers. The Waterways Trust told us that it had “clear evidence of a step change down in visitor numbers of about 19%” in the year that free entry was introduced for two nationally funded museums which were in direct competition with two of its own museums. Other local authority and independent museums which cannot afford not to charge for admission lacked statistics, but suggested that there was an impact, particularly in the education market where the nationals and hub museums were investing heavily, and non-charging museums were “poaching” visitors and school groups. There was a sense of frustration that there was no sign of any attempt to measure, let alone compensate, for the adverse impact on the others, of investment which has generated a rightly celebrated success for selected museums.

(*ibid*, paragraphs 90-1)

The Government did not agree with the Committee that other museums had suffered as a result of the national museums adopting free admission, and did not propose to conduct research on the effect of free admission on the sector as a whole:

We have not seen any compelling evidence that providing free admission to these institutions has unfairly skewed visitor numbers to other museums. It would be surprising if that indeed were the case, given the location of the government-sponsored museums and the importance of a range of factors in persuading people of the value of participating in cultural activities. Rather, free admission to the national museums has been recognised across the world as an innovative policy designed to promote public access to permanent public collections. Its success can be illustrated by the fact that other countries are now looking to follow suit, most recently France.

(Cm 7233, October 2007, page 6)

6. Funding

The funding of directly sponsored museums since free admission was introduced was the subject of a written PQ in the House of Commons:

Mr. Vaizey: To ask the Secretary of State for Culture, Media and Sport how much was paid to museums sponsored by his Department in each year since the introduction of free admission in 2007-08 prices.

Margaret Hodge: The total amounts paid to the 22 museums sponsored by the Department at 2007-08 prices are shown in the table. Free admission for all was introduced in December 2001.

Amount (£ million)

2001-02	287.21
2002-03	305.68
2003-04	309.65
2004-05	308.33
2005-06	313.35
2006-07	328.86
2007-08	340.30

(*HC Hansard*, 10 December 2007, cols. 110-1W)

In a 2007 report on caring for the collections of Britain's museums, galleries, archives and libraries, the Commons Culture, Media and Sport Select Committee suggested that museums' funding may not be adequate, despite apparent increases, particularly due to increased running costs with a greater number of visitors, and the need for institutions to maintain their infrastructure. Different institutions had fared differently:

DCMS told us that there had been a 63% increase in grant-in-aid funding to national museums and galleries between 1997 and 2008 and that the £1.3 billion provided in the five years from 2000-01 included around £140 million compensation to enable the sponsored museums which had formerly charged for entrance to offer free entry ... Some "national" museums have not received anything like a 63% increase. The National Football Museum (which was opened in 2001, with the Heritage Lottery Fund providing £9.3 million of the initial funding of £15 million) told us, at an informal meeting, that the grant-in-aid funding from DCMS had not increased since it was established.

We took evidence about funding from the National Museum Directors' Conference as well as from five of the national museums individually. Their perception was that the percentage increase in cash terms in recent years does not present a true picture of museum funding because increases which only keep pace with inflation amount to reductions when compared with real cost increases in the wider economy. Most of the grant-in-aid goes on core running costs such as staffing, utilities, maintenance and rates, which are rising above inflation in the Consumer Price Index (CPI), and which have risen on average by more than 40% since 1997-98. The V&A said that, since staffing costs accounted for the highest proportion of running costs, the average earnings index (AEI) provided a better measure of the inflation in its costs. Since AEI had risen by 40% between 1997 and 2006, the V&A said that its grant-in-aid had not maintained its value compared to 1997-98, but had fallen in real terms by £3.5 million. The V&A also

calculated that if the amount designated to make up for the loss of admission charge revenue was excluded, its grant-in-aid had risen by only 12% between 1997-98 and 2005-06, only just matching CPI. The V&A and the British Museum also referred to figures showing that the increases in grant-in-aid for national museums in London, since 1997-98, had not been evenly distributed: while the Tate's grant-in-aid had gone up by 75%, the National Gallery's had risen by 14%, and the British Museum's by 19% in that period.

(HC 176, 2006-07, June 2007, paragraphs 18-9)

In its response, the Government did not accept the Committee's findings:

The last ten years have seen a significant increase in grant-in-aid to national museums, galleries and archives. Between 1992 and 1997 funding for the national museums was maintained around the £200 million mark – meaning, as the Committee notes, in effect, a real terms reduction. Since 1997, however, our national museums have seen their grant-in-aid rise from £205m in 1997/98 to £336m in 2007/08 – a real terms increase in funding (that is, an increase on top of inflation) of 28%. Over this period the national museums have delivered considerable increases in visitor numbers, major new capital projects, and award winning exhibitions.

We are also aware of the maintenance needs of the museums. This is why we increased their capital funding by around 250% in the last spending round (from £14.7m in 2004/05 to £37.0m in 2007/08). In addition, the national museums and galleries have become increasingly effective in raising funds from other sources such as donors, corporate sponsorship and trading, as well as from funding bodies such as the Heritage Lottery Fund (HLF).

(Cm 7233, October 2007, page 1)

Despite the policy of free admission, income from admission charges continues to play a role in museums' finances. In a 2004 report on income generated by 17 of the sponsored museums and galleries (17 being the number of institutions that are non-departmental public bodies for the purposes of Government accounting), the National Audit Office noted that while admission charges had been dropped for core collections, some museums had retained charges to satellite sites or for special exhibitions. As a source of income, they remained significant:

... in 2002-03 admissions income was £17.7 million compared to £24.0 million in the year before. Although admissions income has fallen since the introduction of free admission, it is still a significant source of income because of increased income from special exhibitions. Before the introduction of free admission in 2001, income from special exhibitions was around £7 million a year. In 2002-03 it doubled to £14 million, in part due to the success of several major London exhibitions in that year. Most museums' special exhibitions do not make a profit. They usually cover their costs and no more, but such exhibitions are important generators of additional income through the extra visitors they bring to the museum or gallery, and are important in terms of the museums and galleries furthering their access and education objectives.

(HC 235, 2003-04, January 2004, paragraph 1.13)

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