

# Impact Assessment for: 2016 review of HEFCE Museums, Galleries and Collections Fund

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## Key impacts identified

1. The review of the HEFCE fund for Higher Education Museums, Galleries and Collections, which we abbreviate to HEMG throughout, has the potential to impact the sector. The most significant impact of this review is:
  - a. **Regulatory impact.** HEFCE has taken reasonable steps to ensure the burden of the review remains proportionate to outcomes and potential benefits to the sector. The review will provide assurance that the HEMG fund allocation is transparent and based on evidence. The measures taken in the development of the criteria and proposed approach for submission determine that this project has low regulatory impact

## Links to other policies or impact assessments

2. SIA undertaken for 2010 review of Museums, Galleries and Collections Fund.

## At what stage of the development process was this assessment undertaken?

3. This assessment was completed post criteria development and pre – assessment phase.

## Further Information

For further information please contact Claire Fraser, HEFCE Policy Adviser, [c.fraser@hefce.ac.uk](mailto:c.fraser@hefce.ac.uk) or 0117 931 7147.

Review documentation and further information is available to download from our website <http://www.hefce.ac.uk/rsrch/infrastructure/museums/>

## Approval

Signed by: Steven Hill, Head of Research Policy  
Date: 12 August 2016

## **Background**

4. HEFCE currently provides funding to support museums, galleries and collections in the higher education (HE) sector. Our funding is primarily intended to allow HEMGs to provide a service to the wider research community where there is significant cost beyond what is required to meet the needs of their own researchers and students. HEMGs must provide a unique and significant contribution to research and scholarship to justify additional support.
5. We currently provide over £10 million to 31 HEMG across 18 higher education institutions (HEIs). The funding for individual HEMGs was agreed by the HEFCE Board in May 2010 on the basis of a formal review, chaired by Sir Muir Russell.
6. This project aims to review the HEFCE funding stream for HEMGs to ensure funding continues to be based on clear principles and evidence, making the allocation of this funding as transparent as possible. The review, which will be carried out by an independent panel of experts chaired by Diane Lees CBE, will provide assurance and justification for the operation of HEMG funding. The review will set priorities and future funding levels from 2017-18 for five years, subject to available funding. The HEFCE Board will determine the level of funding to be allocated to the institutions identified in the review, having regard to the advice from the review panel and overall funding priorities.
7. As part of the review process HEFCE have consulted the sector to develop the review criteria. The consultation process included a roundtable discussion with representatives from both funded and unfunded HEMGs and HEI central staff and discussions with other key stakeholders.
8. To launch the review and provide detail on the criteria set, Diane Lees, chair of the review, hosted a town hall meeting on 30 June 2016. Over 80 representatives attended the town hall meeting, from 50 HEMGs. At this meeting HEFCE invited submissions from all HEMGs who wish to be considered for funding by 5 August 2016.
9. The review panel will identify those HEMGs that satisfy the review criteria, and will also provide broad recommendations on future funding levels. The HEFCE Board will determine the precise method and level of funding to be allocated to the HEMGs identified in this review, having regard to the advice from the review panel and overall funding priorities.

## **Equality impact assessment**

10. There is no evidence to show that the review of HEMG funding will affect particular groups of people in relation to equality and diversity. HEFCE arrived at this judgement through discussion of potential impacts with HEFCE colleagues, by reflecting on the 2010 review and consulting the sector on the review criteria (terms

of reference). The following exemplify the protection of equality and diversity in this review:

- a. submissions to the review will be made by each HEMG seeking funding, and cannot be applied for by individual researchers or HEI staff. Therefore this review protects against direct discrimination and adheres to the protected characteristics listed in the Equality Act
- b. whilst developing the terms of reference HEFCE considered any indirect discrimination impacts of the criteria. Neither the gateway or quality criteria outlined in the review terms of reference discriminate against any particular groups
- c. HEMGs may see their funding reduced or removed as a result of this review. If this happens we will work with the HEI to understand the impact on any particular individuals or groups
- d. Institutions who receive HEMG funding are individually subject to implementing their own equality legislation.

## Privacy impact assessment

11. No data or information about individuals will be used throughout this review. Where HEMGs include personal data<sup>1</sup> this would be redacted before public release of submissions.

## Impact assessment on other areas

### Regulatory impact assessment

12. The review of HEMG funding requires each HEMG seeking funding to submit a document based on a provided pro forma. HEFCE has taken reasonable steps to ensure the burden to the sector remains proportionate to outcomes and potential benefits to the sector. The review will provide assurance that the HEMG fund allocation is transparent and based on evidence. HEMGs have suggested this review is a valuable exercise for themselves and the sector. HEFCE have considered the burden associated with the submission in relation to the level of the funding available.
13. The review approach has been developed with advice from internal colleagues and feedback from the sector as part of the consultation on the review criteria. On the basis of the approach, the regulatory impact of the review is manageable for HEMGs. The sections below detail HEFCE's consideration of regulatory impact.
14. **Transparency and consistency.** The following steps were taken to ensure transparent and consistent communication:
  - a. HEFCE shared draft review criteria in consultation with the sector, as detailed in paragraph 7. Those consulted represented a range of HEMGs

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<sup>1</sup> For example the name, job title and email address of the individual making the HEMG submission

wishing to submit. They were given the opportunity to provide feedback on the criteria, which was considered by HEFCE in the development of the terms. This transparency with the HEMGs and early engagement gave the sector confidence in the review

- b. the review process is clearly presented in the review documentation published on the HEFCE website, ensuring that the sector have a clear understanding of the process and deadlines
- c. the review criteria are outlined in the review documentation, and detailed guidance provided in the Guidance on submission so that HEMGs have a clear understanding of what is required in submissions.
- d. HEMGs attended a town hall meeting hosted by Diane Lees CBE, to discuss the review criteria and the evidence expected in submissions. The event was open to all HEMGs and provided a forum for open discussion of submissions. Presentation slides from the event have been uploaded to the HEFCE website for any HEMGs unable to attend. The event provided information in a transparent and consistent way and HEMGs responded positively.

**15. Financial impact.** The HEMG fund is a small proportion of HEFCE research funding (0.67%), and is currently set at £10.6 million. Although it is a relatively small amount of funding, it is highly valued by the sector. Research conducted by the University Museums Group in 2015 shows that in AY 2014-15 £56 million of additional income was received by HEFCE HEMG funded collections. HEFCE HEMG funding therefore leveraged funding at a ratio of 5:1. The wider financial climate has put the HEMG sector under increased pressure for resources and funding, partly due to changes in the local authority funding landscape, and HEI funding priorities. This in turn puts greater pressure on the economic sustainability of HEMGs. The HEMG funding available is unlikely to be increased if additional museums are successful so the allocation of funding will require well considered peer-review judgement. HEFCE have considered the following to ensure the burden of this review remains proportionate to economic outcomes:

- a. the review will set priorities and future funding levels from 2017-18 for five years, dependent on funding allocations confirmed annually in the Government Grant letter. This allows HEMGs to plan for the future and demonstrate the additionality the fund will provide, giving an appropriate level of financial stability for the sector
- b. successful HEMGs will be able to fund new activities which offer additionality to the sector and any burden to submit to the review will be counteracted by this additional funding
- c. some HEMGs may see their funding reduced or removed as a result of this review. The review panel will consider any unintended consequences of funding reductions in their recommendations. If a change to funding levels is recommended HEFCE will work with the HEI to ensure that any consequent instability is kept to a manageable level. We may consider, where resources are available, phasing in any reductions to allow HEIs to

adapt to their new circumstances, provide a time buffer for financial planning

- d. this fund is not intended to provide core funding (as stated as part of the quality criteria) and the economic sustainability of the HEMG should not be in jeopardy should HEMG funding be reduced or removed. HEFCE is working to ensure that the additional functions of the HEMG sector, which the HEMG fund supports, are financially sustainable
- e. in line with HEFCE Executive and Board advice, the 'gateway criteria' for the review require HEMGs to provide evidence that they are 'operated in an efficient manner and demonstrate financial sustainability'. Evidence of HEMG sustainability will provide assurance that HEMG funding will be used efficiently, funding additional activity, and not provide core funding.

16. The fixed five year funding period, and HEFCE consideration of impact on economic sustainability if funding levels are reduced, allow HEFCE to be confident the level of financial impact to the sector as a whole will be low.

17. **Managerial impact.** Submission to the review will require HEMG staff time. HEFCE have considered the following to ensure the level of staff time is reasonable in comparison to the benefits of the review:

- a. HEFCE has set a 10 page limit for each submission to ensure the project does not create unnecessary burden
- b. a template for submissions has been provided to HEMGs which helps simplify the process for HEMGs
- c. the review of the HEMG fund is a one-off and will provide funding recommendations for five years, therefore limiting staff time required

18. **Information and data impact.** Submissions are required to provide evidence, some of which include data, against criteria. HEFCE have considered the extent of the evidence required with the aims of the review in mind. The following was considered in the review approach:

- a. where appropriate, HEMG submissions are able to provide evidence which is already available. For example, extracts of forward plans or REF impact case studies can be provided saving staff time and data processing
- b. HEFCE aligned the benchmarks set in the HEMG review to include Arts Council Accreditation. This evidence does not duplicate information or require unnecessary resource
- c. the review panel will provide HEFCE with advice on suitable monitoring arrangements for those who will be in receipt of funding. The review panel will consider appropriate levels of regulation to ensure the information requested is in proportion to the size of the fund while ensuring appropriate accountability.

19. The measures taken in the development of the criteria and proposed approach for submission means the review is expected to have low regulatory impact.

## **Student interest and student choice impact assessment**

20. The review of HEMG funding has the potential to have an indirect impact on students. Funding is primarily intended to allow HEMGs to provide a service to the wider research community which is unique and significant beyond the host HEI. This funding will continue to support HEMGs to play a role in the undergraduate (UG) and postgraduate (PG) student community however, this review focuses on the impact on researchers and the community of scholars.
  
21. A HEMGs research reputation with might help attract prospective students. HEMGs may also inform and include teaching in programmes both at UG and PG level. The potential impact on students, if a HEMG gains funding from the review, could benefit the student community by providing additionality to their educational experience. If a HEMG which is currently funded sees a reduction in funding, or has funding removed as a result of the review there are potential impacts to the opportunities HEMGs can offer students in research, teaching and learning. Where this risk is significant, HEFCE will consider phasing in any reductions to allow HEIs to adapt to their new circumstances and consider the student needs.