



Association of  
Independent  
Museums

Helping Heritage  
Organisations Prosper

# Balancing optimism and realism

AIM Covid impacts survey  
January 2022



# Background

In January 2022, AIM surveyed its members on the immediate impact of the Omicron variant and related strengthening of restrictions in all nations of the UK over the Christmas and New Year season.

We received almost 200 responses and extend our thanks to everyone who made the time to complete the survey.

The responses painted a picture of a sector looking ahead to the rest of winter and the rest of the year largely expecting to survive financially, but with significant concerns about visitor figures and income throughout 2022, and a need for support with core funding, capital (including maintenance) projects, one-off projects, and particularly to support staff resilience and wellbeing.

## Key findings

- 7% of respondents consider themselves at risk of closure this year
- 15% are planning restructures and redundancies
- 70% are expecting lower income up to the end of March, with a quarter expecting income to drop by half or more compared to 2021 projections.
- A similar proportion are expecting lower income throughout 2022, with 19% expecting income to drop by half or more compared to 2021 projections.
- Just over a third need core funding support to the end of the year. 2 in 5 are looking for one-off project funding and capital funding for maintenance needs. Just under a third identified a need for support with staff resilience, wellbeing and mental health.
- The Omicron variant affected around two-thirds of respondents over the Christmas / New Year period, with over half experiencing reduced domestic visitors, reduced entrance income, and volunteer absence
- 38% saw visitor numbers drop by half or more and 29% saw income drop by half or more compared to pre-Omicron projections over Christmas and new year
- Around 70% reported some wellbeing impact on staff and volunteers, with around 40% managing this via informal organisational support

## What next?

AIM will use the survey findings to inform calls on the government and funding bodies for support, which could include:

- Acknowledging that recovery will need time beyond the end of restrictions, particularly building domestic and international visitor confidence and numbers, and keeping support needs under review throughout this year
- Making funding available to support core costs over the 2022/23 financial year – whether this is new money, or expanding the scope of grants offered by public and Lottery funders
- Making it easier to access project funding for activities and capital works aimed at supporting recovery
- Support schemes for wellbeing, mental health and resilience for staff and volunteers

## Organisations at high risk

14 organisations reported being at risk of insolvency this year, with 12 of these expecting to go through available reserves. Significantly higher proportions of Scottish and Welsh organisations were at risk compared to respondents in England.

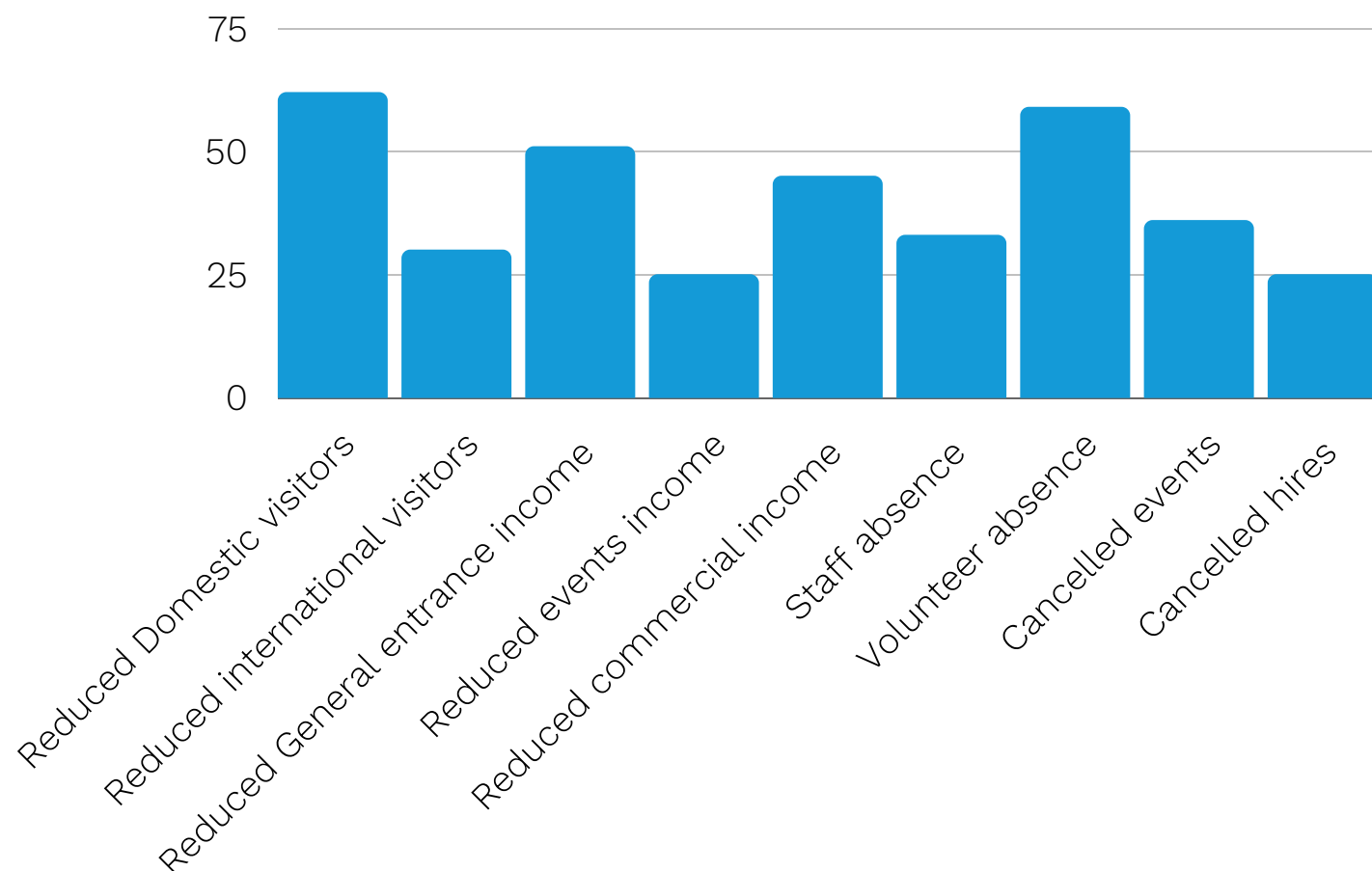
More positively, 28 organisations reported having been at risk earlier in the pandemic, but, generally through a mix of culture and pan-economy support funding, do not currently consider themselves at risk.

As ever, we encourage any organisation facing insolvency to contact [lisa.ollerhead@aim-museums.co.uk](mailto:lisa.ollerhead@aim-museums.co.uk) urgently.

## Looking back

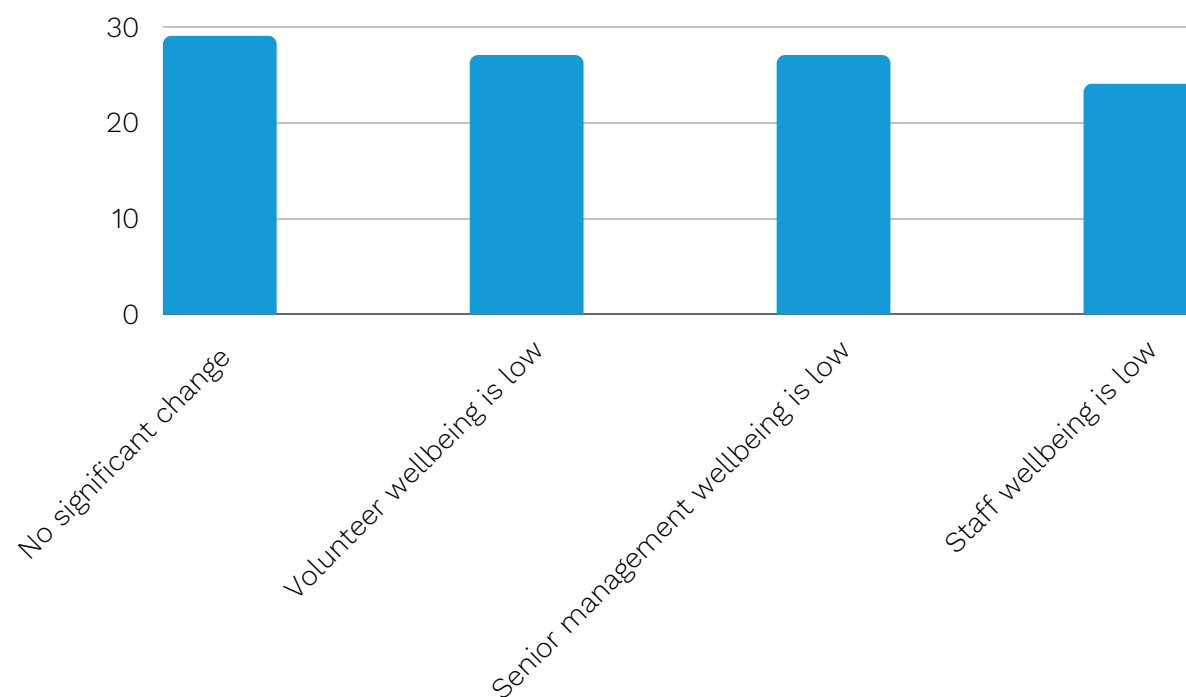
Around two-thirds of the museums surveyed are or have been closed, although only around a third due to covid, with the rest being planned closures, likely seasonal. Most respondents had been affected by the new variant and associated restrictions. Reduced domestic visitors, reduced income, and volunteer absence were common. Of those reporting a worse performance compared to projections before Omicron emerged, about 40% saw visitors drop by more than half and about 30% saw income drop by more than half. More positively, one respondent had seen income rise due to the success of their new online shop.

## Effect of Omicron over Christmas and New Year



Staff absence from illness or isolation was a major issue, with about a third of respondents closing all or part of their site for some length of time. Other public-facing activity was also affected, with around a quarter cancelling or reducing events and other activities. A smaller but still significant number of respondents were affected by volunteer absence, which was slightly more likely than staff absence to have resulted in reduced back of house activity. Several museums reported on the wellbeing impact of the events of recent weeks. One commenter said simply, “we’re all exhausted”.

## Wellbeing impact



Around a third of museums surveyed are providing their teams with informal wellbeing support, for example between peers and in line management chains, with only one in ten offering formal support such as Employee Assistance Programmes.

## Looking ahead

Most museums have downgraded visitor and income expectations both up to the end of March and the end of 2022, although several respondents caveated those expectations remain dependent on what happens next with Covid.

About 25% expect visitors and income to be half or less than projections pre-Omicron by the end of the financial year, decreasing to about 20% by the end of the calendar year. As one respondent pointed out, “income streams just don't come back. They take time to grow.”

Cost of living was raised as another barrier, that “will impact our visitor’s ability to spend [and] our costs are increasing with food, fuel and materials all becoming more expensive, but we have little opportunity to pass on these costs without making a visit too costly for families”.

However, there were other signs of optimism: some commenters expect to return to pre-covid levels of attendance and income this year.

One respondent shared that, “we are optimistic that 2022 will be better than 2021, as 2021 was better than 2020... The spring and summer will be the most important period in the year as we can expect social restrictions to be removed in better weather, so support for the sector to have as strong a summer as possible is vital,” and another said, “we are seeing group bookings and venue/film hire increase and are hopeful this year will be our ‘renaissance’ after a difficult reset programme in 2020”.

## Restructures and redundancies

Around 25 museums are making plans for restructures or redundancies, around two-thirds of which were small museums with low numbers of paid staff. In three-quarters of these, less than a quarter of staff will be affected, with senior management, front of house, and learning staff roughly equally at risk. This was one of the areas with the most unique circumstances reported, and in some cases, restructures were driven by factors other than covid, or covid had sped up an existing need for change.

## Impact on volunteering

Volunteering is set to be an area of change, with only around a quarter of respondents reporting that they expect volunteer levels to be similar to before covid by the end of the year. Larger museums were slightly more likely to report similar levels of volunteering than expectations of increases or decreases. Around half of the small museums surveyed responded on this question, reflecting the heavier reliance on volunteers in this part of the sector: of these, nearly half planned to recruit new volunteers, with around a fifth looking to change the demographics of their volunteer base, but even then about a third expected volunteering to be similar or decreased compared to before covid by the end of the year.

## Impact on outreach

Schools’ activity is looking more encouraging: nearly half of museums which programme for schools predict no change in levels of activity by the end of the year compared to pre-Omicron projections. However, one in five found bookings had already fallen and three in ten expected significant falls all year.

## 2022 Activities

The outlook for the rest of the year is mixed. Only a third of museums said that they are not scaling down activity, although it should be noted that the survey period was before relaxation of restrictions in England and Scotland were announced in week commencing 17th January.

Most commonly, museums expect to reduce the public offer in general until spring and to reduce events, perhaps reflecting the perceived higher risk during winter and of events with high numbers of people and mixing. As over Christmas and new year, losing events is a particular concern due to the income generation potential. Small museums were particularly likely to report this change compared to other scaling down.

## Support needs

There is a clear call for more support, with only 14% of museums saying they have no additional need this year. The most common need is for capital funding for maintenance (42%), closely followed by funding for other capital projects (39%), project funding (39%), core funding to the end of the year (36%), and support for staff wellbeing (32%).

Starkly, one respondent writes, “without grant support or significant increase in footfall, our sole source of income, we will be insolvent by the end of September 2022”, summarising the key challenge for independent museums: visitors being allowed and comfortable to return in force is required for recovery. Other museums noted the importance of international visitors to their sustainability.

While grateful for emergency support, several commenters noted with some frustration that currently the priority is on organisations at imminent risk of closure, instead of the support needed to prevent organisations from getting to that point. Respondents are also eager to see support that is simple to apply for and receive, without demanding new activity.

## Beyond recovery

There is also a need for an open conversation around the sector about recovery. One commenter noted that it “feels like there isn't enough talk about what happens next. I fear we will see more cuts and museums close as cuts dig in and income streams lag behind”.

Several commenters whose organisations have been supported by covid support funds are finding old and new issues with business models emerging, such as covering rent and new arrangements with funders including taking on new liabilities, although another noted positively that it has given them an opportunity to redefine relationships with stakeholders and secure new grant funding. One commenter astutely noted the key issue: “trying to remain optimistic and yet realistic too”.

[www.aim-museums.co.uk](http://www.aim-museums.co.uk)