



House of Commons

Innovation, Universities & Skills
Committee

**The Funding of Science
and Discovery Centres:
Government Response
to the Eleventh Report
from the Science and
Technology Committee,
Session 2006–07**

**First Special Report of Session
2007–08**

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The Innovation, Universities & Skills Committee

The Innovation, Universities & Skills Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Innovation, Universities and Skills.

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First Special Report

On 22 October 2007 the Science and Technology Committee published its Eleventh Report of Session 2006–07, *The Funding of Science and Discovery Centres* [HC 903]. On 4 January 2008 the Committee received a memorandum from the Government which contained a response to the Report. The memorandum is published as an appendix to this report.

Appendix: Government response

1. The Government welcomes the report of the Select Committee's inquiry into the funding of science and discovery centres.
2. This response, as was the case with the initial memorandum submitted to the inquiry, has been jointly prepared by the three Departments with an interest in this area, namely the Department for Innovation, Universities and Skills (DIUS), Department for Children, Schools and Families (DCSF) and the Department for Culture, Media and Sport (DCMS). Her Majesty's Revenue and Customs (HMRC) and Communities and Local Government (CLG) have addressed the recommendations relating to VAT and business rates relief specifically.
3. The Government acknowledges that science and discovery centres provide a forum for communicating and presenting scientific knowledge and debate on issues to children, families and the wider community, often in an interactive, fun and informal environment which can enhance the individual's formal learning experiences and capture young people's imaginations. As such, they are one group amongst many diverse organizations which have the potential to have an impact on the nation's overall scientific literacy.
4. DIUS and DCSF would particularly draw attention to the £750,000 that they are providing to Ecsite-UK between November 2006 and March 2008, which had been specifically provided with the aim that Ecsite should work with the network to enhance its financial sustainability.
5. The Government also welcomes the recommendations directed at the science centres themselves (3, 5, and 12). The establishment of Ecsite-UK was initially supported on the basis that Ecsite could act as a strong co-ordinating voice for the network and enable its members to achieve greater financial sustainability. The need for collaboration and sharing of best practice within the sector is also endorsed, and the Government would encourage all centres to assess how they can develop and build on existing expertise in this area to strengthen not only their own financial position, but also the quality and scope of their overall offering to their customers.
6. In terms of the recommendation relating to diversity of funding, the Government again endorses this recommendation, for example, by encouraging a greater focus on sponsorships and linkages.
7. Finally, the opportunity to respond to the Committee's report comes at a particularly apposite time. Since the Select Committee hearing in July 2007, DIUS has embarked on a review and refresh of its existing Science and Society vision, and the approach which the

Department proposes to take forward can be seen as one element as it maps out the best way forward to help it meet its goals into the future.

Notes on Conclusions and Recommendations

Science Centres and Museums

Recommendation 2: We recommend that the Government review the Museum Accreditation Scheme with a view to creating a funding stream for educational and public engagement programmes to which science centres could apply.

8. The Government does not accept the premise on which this recommendation is based. Museums exist because of their collections and it is the possession of a collection that distinguishes a museum from another type of visitor attraction. The collection is at the heart of all the activities a museum undertakes. The value to museums of the Museum Accreditation Scheme is that it takes a holistic view of an organisation.

9. Accreditation is a nationally agreed scheme for museums to demonstrate they are achieving minimum standards in four key areas of museum management and the collection is at the core of these areas. The standard requires museums to have an acceptable constitution and management arrangements, hold collections in trust for society, make collections accessible through displays and meet agreed minimum standards of collections management and care. Education activity is the focus of only one limited element within a section on wider user services and the standard indicates that the collection is integral to this type of work. The Museum Accreditation Scheme is voluntary and an accredited museum is one which meets the agreed standards. Currently, of the estimated 2,000 museums in England 1,460 are accredited. The Scheme is not linked directly to any funding stream. Accreditation does not automatically ensure core or additional funding for museums from any source.

10. The Museum Accreditation Scheme is managed by the Museums, Libraries and Archives Council (MLA), which is an NDPB with strategic responsibilities for the museum sector. The Scheme was set up to address a sector wide need to create and promote minimum standards to benefit collections and users. DCMS believes it has been successful in achieving this aim. DCMS operates in accordance with the arms-length principle and believes the MLA is best placed to determine priorities for the sector.

Monitoring Effectiveness

Recommendation 4: We urge the Government to take a lead and commission independent research to assess what role science centres and other factors play in encouraging young people to pursue STEM careers and how effectively science centres influence public discussion and perception of science issues. A number of institutions with interests in the promotion of STEM subjects and public engagement might be willing to co-fund such a project and we recommend that the Government identify and approach likely parties to initiate joint commissioning of research into science centres.

11. This recommendation will be addressed in a number of ways, some of which will build on existing work already being undertaken.

12. DIUS will commission research early in 2008, in consultation with both DCSF and DCMS, to establish how effective science centres are compared to other delivery agents at helping Government to meet both its STEM and public engagement goals. This research will take, as its starting point, the recognition that there is a scarce and finite public resource available to help the Government meet its goals in this area, and that that resource should be directed to garner maximum potential impact for that expenditure.

13. This research will include economic analysis of a variety of the Government's delivery partners and mechanisms in the STEM area, and it is expected that individual science centres will co-operate by responding to information requests from the researchers. The tendering process will commence shortly after submission of this response to the Committee, early in 2008.

14. The Government notes the Committee's view that research should be co-funded by partners with an interest in this area. Whilst it would not be appropriate to seek co-funding from any partner with a potential degree of self-interest, the Government will explore the potential for other partnerships.

15. The DfES/DTI STEM Programme Report, published in 2006, sets out the Government's proposals for bringing greater coherence and co-ordination in the STEM enhancement and enrichment activities available. DCSF and DIUS are taking this forward and, as part of the commitment to evaluate the STEM programme actions, are already planning to look at the impact of enhancement and enrichment activity across a range of factors including career choices. In 2008, the two Departments will work to encourage external partners to sign up to evaluating STEM projects that do not receive Government funding – this could include the science centres. The two Departments will work closely together to develop a strong evidence base for assessing the role of science and discovery centres in relation to both STEM and public engagement.

16. The Ecsite-UK project currently being funded by DIUS and DCSF has uncovered serious gaps in knowledge about the impact of science centres per se, made more difficult by the disparate nature of the type of centres which are grouped together under the heading "science and discovery centres".

17. The time which it will take to answer the necessary questions about the relative effectiveness of various approaches to promoting STEM will depend crucially on the availability of relevant data. This will be an early task for the researcher appointed, but the timetable could be extended if new longitudinal data needs to be gathered.

Co-ordination

Recommendation 7: We recommend that responsibility for science centres be formally written into the Minister's portfolio. However, we recognise that input from DCSF and DCMS is necessary and the Minister for Science and Innovation should ensure that decisions and assessments are co-ordinated between all three Departments.

18. The Department for Innovation, Universities and Skills should act as first point of contact and, in effect, policy lead in relation to issues on science centres, given its overall responsibility for science policy within Government. As has been the case to date, DCSF and DCMS will continue to be included and involved in policy decisions dependent on the

requirement of the relevant policy environment. This is particularly relevant in the response to recommendations 4 and 8. Officials will continue to collaborate as appropriate.

19. However, it should be made clear that science centres are independent organisations, established outside of Government, and it would not be appropriate for any part of Government to take responsibility for them in the sense that Ministers take overall responsibility for the actions of Government Departments and Agencies.

Funding Options

Recommendation 8: We agree that a Government commitment to long-term revenue support for science centres should not be made unless independent evidence of effectiveness is obtained. If independent research, which we hope the Government will commission as a matter of priority, does confirm that science centres make a positive contribution to science education, the promotion of STEM careers and public engagement, then we expect the Government to review its policy on long-term funding for science centres along similar lines to museums and galleries. We recognise that there may be an issue in whether the differential admission prices between museums and science centres act against Government policy of encouraging early engagement of pupils in STEM subjects and we recommend that this be part of the review.

20. To ensure rigour, validity and robustness of the outcome of the research discussed in the response to recommendation 4, the Government would not wish to prejudge or pre-empt its outcome.

21. In relation to the second half of this recommendation, the vast majority of museums in England are funded either by local authorities or are independent charities and the policy on admission prices for these museums is a matter for the relevant Council, its councillors and the local community or the trustees of the organisation, respectively. Only a very small number of museums are funded directly by central Government. The free admission policy introduced by the Government saw the reintroduction of free access for all visitors at nine of the fourteen national museums and galleries sponsored by DCMS in December 2001. As part of its ongoing research agenda the Museums Libraries and Archives Council (MLA) monitors trends in visits to all museums in order to assess the impact of free entry. Surveys by Visit Britain and other MLA funded research find that attendance to all museums has grown over this period, while other sorts of attractions have similarly seen an increase in visitor numbers. The cost of admission by itself is not the sole determinant of decisions as to whether or not to visit particular attractions, and it may prove misleading to compare admissions policies for science centres against those for museums alone. Therefore, the issue of pricing policy will not be an issue for consideration in the research to be commissioned by DIUS.

Recommendation 9: It is vital that existing science centres do not disappear before the results of research on their effectiveness is forthcoming. Therefore, we recommend that the Government make available limited, competitively-awarded, short-term funding to support those science centres that are struggling financially. Criteria for selection should be devised in consultation with the science centre community, including funders and other partners, and should be clearly set out by the Government. (Paragraph 44)

22. The Government's position has been and remains that funding failing institutions does not represent a good use of public money. A science centre failing in financial terms could not be an effective delivery agent or Government partner. Given that financial resources are limited, the Government's view is that the research on the relative contribution of science centres to the STEM agenda needs to be undertaken before further funding to this sector is considered. The £750,000 funding made available by DIUS and DCSF to help Ecsite-UK in its current project was precisely designed to help the network achieve greater levels of financial sustainability.

Recommendation 10: We recommend that the Government give serious consideration to a reduced rate of VAT of 5% on admission fees to science and other educational centres, as permitted under Article 98 of the EU Council Directive 2006/112/EC, subject to independent research verifying the effectiveness of science centres in achieving Government policy objectives.

23. The availability of VAT reduced rates is governed by the European VAT agreements signed by successive Governments. These agreements allow a reduced VAT rate of 5 per cent to be applied to "admissions to shows, theatres, circuses, fairs, amusement parks, concerts, museums, zoos, cinemas, exhibitions and similar cultural events and facilities," where these supplies are not covered by the VAT exemption for cultural services. While all taxes are kept under review, where available under EU VAT agreements, reduced rates of VAT are used sparingly, and only when they provide the best-targeted and most cost-effective support for Government objectives and priorities.

Recommendation 11: We urge all local authorities to offer 100% business rates relief to science centres

24. This is a matter for individual local authorities, not central Government.

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