

# Culture, Welsh Language and Communications Committee – 14 January 2021

## Deputy Minister for Culture, Sport and Tourism

### Memorandum on the Draft Budget proposals for 2021-22

---

#### 1.0 Introduction

This paper provides information to the Committee regarding my spending plans as the Deputy Minister for Culture, Sport and Tourism in respect of the culture and heritage budgets within my portfolio. The spending plans are set out in the draft Budget for 2021-22 published on 21 December. This paper also provides an update on specific areas of interest to the Committee.

The sectors in my portfolio have faced significant challenges this year as a result of the Coronavirus pandemic. Some of these challenges will continue next year as we aim to support our sectors survive and recover. Whilst our focus has been on the health and economic response we have also been robust in ensuring the survival of our culture and heritage, our national institutions and the communities that protect and nurture them.

Recognising the importance of culture and heritage for the improvement of health and well-being, particularly as part of recovery from the pandemic, it is vital that we maintain our investment in these areas and look to enhance our levels of capital investment wherever possible.

Our culture and heritage are an intrinsic part of our nation's identity. The music and literature of Wales and our iconic castles shape our identity and tell the story of Wales to the world. Libraries, museums, archives, heritage sites and arts venues across Wales enable thousands to enjoy and engage with our culture. They create a distinct sense of place in our communities and play a significant role in achieving the ambitions for our Welsh language. Thousands of people have benefited from free entry to our national museums. Amgueddfa Cymru - National Museum Wales is the largest provider of education outside the classroom in Wales – more than 180,000 school students enjoy education activities each year. Collecting, preserving and making the culture and heritage of Wales accessible for all to learn, research and enjoy, the National Library of Wales receive around 2 million visitors and on line users. Through Cadw, the Welsh Government also delivers services directly to the public. Each year more than 2.4 million people visit the 130 monuments in state care, whilst Cadw also supports 35,500 owners and occupiers who care for historic buildings and sites across Wales.

As well as being important in its own right, our culture protects and enhances our quality of life. Culture creates jobs in heritage, traditional building construction and repair, and the arts. Our cultural attractions help sustain the 11,500 businesses in the tourism industry, and arts in Wales power our creative industries. Our culture is central to the Wales brand and promoting Wales internationally through the International Strategy.

Our creative industries promote Wales around the world. Developing a sustainable skills base and talent development is a key priority for Creative Wales to ensure individuals are able to capitalise on opportunities, improve pathways to viable careers and support more people to access and retain employment in the creative industries.

Our key institutions must survive this crisis and we must plan so that our communities and local sectors can return positively and look to the future with hope. Cadw and the Culture and Sport Division support our delivery partners – the Arts Council of Wales, Amgueddfa Cymru - National Museum Wales, the National Library of Wales and the Royal Commission on the Ancient and Historical Monuments of Wales - who between them reach a huge audience in Wales and internationally.

We also want to ensure that we can protect the sector in the face of the challenges of the EU exit but by the same token assist them to make the most of opportunities. Either way it is important that the sector is covered in this respect, is not exposed and has the tools it needs to navigate life post-pandemic and post-Brexit.

Although positive strides are being made with vaccines and there is now hope that there will be a return to some sort of normality in time, there remains a great deal of uncertainty and our plans will need to be flexible and able to evolve within fast-moving circumstances. Whilst recovery is key, we want to ensure we deliver on the Welsh Government’s wider priorities such as climate change, reducing poverty and inequality, and enhancing skills and job prospects. These will be important themes as our nation recovers from the impact of the past year. I am positive that culture and heritage can support the nation to re-emerge positively from the challenging period we have been through – it is vital to enhance our sense of identity, mental well-being and ensure the economic recovery of the sectors that add more value and meaning to all our lives.

## **2.0 Commentary on Actions and detail of Budget Expenditure Line (BEL) allocations**

The 2021-22 Draft Budget provides a one year spending plan for both revenue and capital. **Annex A** provides a detailed breakdown of culture and heritage financial information 2019-20 to 2020-21 by Action and Budget Expenditure Line (BEL). Further details on budget decisions are provided in the updates on areas of interest to the Committee.

### **2.1 Resource Budget**

An overview of the resource budget changes between 2020-21 and 2021-22 is summarised in **Table 1** as follows:

**TABLE 1: OVERVIEW OF RESOURCE BUDGET (Including AME)**

<b>Culture &amp; Heritage</b>	<b>2019-20 Second Supp £'000</b>	<b>Baseline Adjustment £'000</b>	<b>2020-21 Final Budget £'000</b>	<b>Change £'000</b>	<b>2021-22 New Plans Draft Budget £'000</b>
Support for Culture and the Arts	121,566	(50,257)	71,309	1,012	72,321
Media and Publishing	3,730	0	3,730	0	3,730
Support for the Historic Environment	15,036	(267)	14,769	1,000	15,769
<b>Total Resource</b>	<b>140,332</b>	<b>(50,524)</b>	<b>89,808</b>	<b>2,012</b>	<b>91,820</b>
Sponsored Bodies Pension	3,013		3,013	10,987	14,000
<b>Total AME</b>	<b>3,013</b>	<b>0</b>	<b>3,013</b>	<b>10,987</b>	<b>14,000</b>
<b>TOTAL</b>	<b>143,345</b>	<b>(50,524)</b>	<b>92,821</b>	<b>12,999</b>	<b>105,820</b>

## Baseline Adjustments

Overall the adjustment of £50.524m reflects the non-recurrent additional support for recovery in response to the pandemic of £51.5m and offset by reductions of £0.976m to support Covid-19 interventions.

The [First Supplementary Budget](#) focussed on repurposing existing budgets to respond immediately to the pandemic. The contribution of £0.976m was made from a 2% reduction in funding for the National Museum of Wales, the National Library of Wales and the Royal Commission totalling £0.678m and uncommitted budget of £0.298m within the Local Culture and Sport BEL.

The [Second Supplementary Budget](#) set out further measures taken in response to the pandemic including [£53m for the Cultural Recovery Fund \(CRF\)](#) to support and sustain the sector due to the ongoing challenges comprising £50m revenue and £3m capital. We have since increased our [CRF investment by £10m](#) to more than £63m.

To note an additional [£14m for the Sport and Leisure Recovery Fund](#) was announced to provide longer-term sustainability for the sport sector. This includes £1.5m for independent providers and sporting events managed within the Local Culture and Sport BEL.

## 2.2 Budget Changes

In 2021-22 funding for the sponsored bodies and partner organisations is maintained despite significant and widespread pressures on the Budget which is 3.6% lower in real terms than it was in 2010-11. At present no additional funding has been allocated for potential Covid pressures. Commercial income levels for Cadw, the National Library of Wales and the National Museum of Wales are unlikely to recover to the levels before the pandemic. In the draft Budget there some targeted investments in line with the immediate Welsh Government priorities. Further financial decisions for the heritage and culture sector will be assessed as we better understand the impact of the pandemic, as we head into the spring and summer and the impact of the roll out of vaccines. We do need to bear in mind that the amount provided to the Welsh Government in respect of Covid 19 is significantly less than what has been provided in 2020-21.

Overall the change of £2.012m reflects additional non cash requirements and realignment of budgets within the portfolio offset by repayments. The resource budget includes £9.383m (2020-21 £8.103m) for non-cash depreciation charges. In 2021-22 additional non-cash budget of £1.280m is required for the major developments at Caernarfon castle, Caerphilly castle, Tretower Court for Cadw £1m and digital investment at the National Museums £0.280m. The Support for Sport budget of £0.157m is also consolidated into the Support for Local Culture and Sport to align delivery priorities. Total Invest to Save Repayments of £0.025m are for the energy efficiency scheme at the National Museum of Wales.

In addition there is an allocation of £0.6m available within the Local Culture and Sport BEL to support our cultural institutions to progress exploratory work for Black Lives Matter.

There is also an increased budget cover for AME budgets to £14m to support the provision for any fluctuation in pension charges which may be necessary in respect of pension schemes for the National Museum of Wales and the National Library of Wales.

## 2020-21 Forecast

The 2020-21 overall forecast revenue outturn of £150.422m in **Annex A** reflects the additional funding of £10m for the CRF. This will be actioned in the Third Supplementary budget alongside

the reprioritisation of £7m funding, primarily to support freelancers, from the Arts Council of Wales BEL to be managed with interventions in the Local Culture and Sport BEL. The Arts Council is a valued partner and with a swift and robust assessment ensured that 222 organisations were identified for immediate funding, protecting over 1,800 jobs. Full details are available in the [Written statement](#). The £10m allocation included support for our national institutions to address the specific impacts of the Covid pandemic: the National Library of Wales £0.25m; the National Museum of Wales £0.3m and the National Botanic Garden of Wales £0.24m.

## 2019-20 Final Outturn

Final out-turn figures for 2019-20 were broadly in line with budget with some reprioritisation within the portfolio and wider International Relations and the Welsh Language MEG.

## Annually Managed Expenditure

Annually Managed Expenditure (AME) budgets of £14m supports the additional provision for any pension charges which may be necessary in respect of the pension schemes of the National Museum of Wales and the National Library of Wales.

## 2.3 Capital Budget

An overview of the capital budget changes between 2020-21 and 2021-22 is summarised in **Table 2** as follows:

**TABLE 2: OVERVIEW OF CAPITAL BUDGET**

Culture & Heritage	2019-20 Second Supp £'000	Baseline Adjustment £'000	2020-21 Final Budget £'000	Change £'000	2021-22 New Plans Draft Budget £'000
Support for Culture and the Arts	17,816	(3,000)	14,816	2,570	17,386
Media and Publishing	780	0	780	(750)	30
Support for the Historic Environment	5,241	3,700	8,941	180	9,121
<b>TOTAL</b>	<b>23,837</b>	<b>700</b>	<b>24,537</b>	<b>2,000</b>	<b>26,537</b>

### Baseline Adjustments:

The Second Supplementary Budget includes £3m capital funding included in the [£53m for the Cultural Recovery Fund](#) to support and sustain the sector due to the ongoing challenges. The impact of the pandemic delayed major developments at Caerphilly castle, Tretower Court and Caernarfon castle so £3.7m was returned to reserves to be reprioritised. The net movement is a decrease of £0.7m.

### Budget Changes

In 2021-22 capital investment has increased by 8% compared to 2020-21. A summary of changes is provided in **Table 3** as follows:

**TABLE 3: CAPITAL BUDGET CHANGES**

Organisation	2020-21 Project Allocation £'000	2021-22 Allocation £'000	Change £'00	Investment Priorities
National Museum	350	1,000	650	Decarbonisation & digital developments <i>2020-21 - Customer relationship management system</i>
National Library	400	500	100	Decarbonisation & digital developments <i>2020-21 - IT system &amp; servers</i>
Arts Council of Wales	400	1,220	820	2021-22 - Theatr Clwyd development <i>2020-21 - Investment in arts projects</i>
National Botanic Garden of Wales	100	280	180	Biodiversity investment <i>2020-21 - Energy efficiency funding</i>
Creative Wales	0	1,000	1,000	Pipeline developments
Books Council of Wales	750	0	(750)	<i>2020-21 - New integrated IT and distribution operating system</i>
<b>TOTAL</b>	<b>2,000</b>	<b>4,000</b>	<b>2,000</b>	

Investment in the long term sustainability of our national institutions demonstrates our commitment to preserving our culture and heritage for future generations. Decarbonisation is a priority for the budget decisions to achieve [A Low Carbon Wales](#) and will enable the organisations to address environmental concerns, particularly CO2 emissions and energy efficiency.

Culture is integral to mental well-being. During the isolation in the pandemic the organisations adapted and promoted the collections digitally so that individuals could enjoy culture and heritage at home. The capital budgets will enable further investment in technology for recovery and wider access.

The capital investment of £4.197m at the National Museum of Wales will address business critical maintenance for the heating and ventilation systems to address energy efficiency. The investment will also enable the Museum to continue to conserve the nation's treasures and extending the offer for remote digitisation and harness the opportunities identified during the pandemic. It will also support the preparations for the redevelopment of Llanberis slate museum.

Recognising the challenges in maintaining our national historic library we have provided an uplift in the capital budget to £3.195m which will target investment in the renewal of energy efficient plant and equipment, lighting upgrades, ICT infrastructure and solar installation. It will enable better integration and improved resilience for the long term. The budget will also support the digitisation programme for purposes ranging from scholarly research to reminiscence therapy for people living with dementia.

The Arts Council of Wales is a key partner in delivering investment in for culture and the arts. The total budget in 2021-22 is £1.575m. The additional £1.22m in 2021-22 (£1.8m in 2020-21) is part of the initial planning for the development of Theatr Clwyd. Of the transfer from the Economy and Transport MEG of £3m, which will be actioned in the Third Supplementary budget the project has been reprofiled and managed with the acceleration of expenditure for sport and culture.

Increasing the investment to £6.989m in the strong Creative Wales brand supports the international strategy in raising Wales' profile to the world, not only as a centre for creative excellence, but as a great place to visit and live. Creative and cultural investment is vital for regeneration across Wales and the funding supports productions and initiatives in both Welsh and English.

The level of new investment of £0.375m in the National Botanic Garden of Wales demonstrates the commitment to promote biodiversity, sustainable development, research and conservation, and lifelong learning.

## **2.4 2020-21 Forecast**

The 2020-21 overall forecast capital outturn of £26.337m compared to £23.837m Second Supplementary budget in **Annex A**, reflecting the additional spend on Theatr Clwyd.

## **2.5 2019-20 Final Outturn**

Final out-turn figures for 2019-20 were broadly in line with budget with some reprioritisation, primarily for investment at the National Botanic Garden of Wales and the Books Council of Wales within the portfolio and wider International Relations and the Welsh Language MEG.

## **2.6 2020-21 Forecast**

The 2020-21 the overall forecast capital outturn of £26.387m in **Annex A** reflects the additional funding of £1.8m for the redevelopment of Theatr Clwyd ( further £1.22m in 2021-22), the acceleration of digital developments of £0.7m at the National Museum of Wales and sundry adjustments. The changes will be actioned in the Third Supplementary budget.

## **3.0 Response to Specific Information Requested by the Committee**

### **3.1 Information on how the delivery of the Arts, Culture and Heritage portfolio and their associated outcomes are monitored and evaluated to demonstrate value for money.**

Key priorities for each partner organisation are set out in their remit letters, which they use as a basis for their operational plans and key performance indicators. My officials monitor progress against these plans at quarterly monitoring meetings and other meetings, such as the bi-annual meetings with CEOs and officials' attendance at Board meetings, allows Welsh Government to maintain close contact throughout the year.

### **3.2 Details of specific policies or programmes within the relevant MEGs (relevant to Arts, Culture and Heritage) that are intended to be preventative and how the value for money and cost benefits of such programmes are evaluated.**

#### **Poverty: The Fusion programme**

The Fusion programme aims to tackle poverty and wellbeing issues through cultural activity, and has continued to drive forward engagement with communities coming up with innovative and bespoke solutions to engage with individuals and communities, by using digital resources and

providing packs of cultural information the programme continues to provide a cultural lifeline for individuals and communities to improve the impacts of poverty, health and well-being.

Arts, culture and heritage play an important role in tackling disadvantage and preventing poverty. Participating in cultural activities (such as volunteering at a museum or playing music) can boost skills, self-esteem, learning and aspiration, particularly in areas experiencing economic disadvantage.

The budget makes provision for continued support for the Fusion Programme and its work in engaging with individuals and communities in areas of deprivation. Despite the difficulties presented during the pandemic, the Fusion programme has proved resourceful in finding new ways of engaging and encouraging cultural activities. Significant funds from the Fusion budget in 2020-21 were repurposed for the Covid support effort, Fusion received £215k in revenue a reduction of £215k from the initial budget that year. The revised Fusion budget for 2021-22 of £430k will include the planned expansion of the coordinators network, independent evaluation and digital projects as part of the commitment to the CWLC review “count me in” in to the Fusion programme.

## **Mental health**

Over the past generation there has been a shift from a medical model of health to one that recognises the role and importance of communities in health. The portfolio supports healthy communities, and healthy places through opportunities to volunteer and to take part in cultural activities, and also through supporting local community facilities such as libraries, archives, museums and heritage sites.

There is now good evidence to support the positive impacts participation in arts and culture can make to mental health. Literature reviews by the Arts Council of Wales [Arts and Culture in Criminal Justice and Wellbeing](#) noted positive physical and psychological patient outcomes from music interventions in a variety of hospital settings.

Our own recent study [the arts and health landscape in Wales](#) identified more than 200 projects across the country that are proving effective in preventing illness, helping maintain good mental and physical health as well as aid recovery. The Arts Council of Wales has renewed its commitment to the Welsh NHS Confederation to raising awareness of the benefits that the arts can have on people’s health and wellbeing and to embed arts and health initiatives across the NHS in Wales. The [2018 evaluation](#) of the Time banking scheme (which Cadw takes part in) showed that for 83% of participants, taking part improved overall quality of life and 52% felt less isolated and lonely.

## **People’s Collection Wales**

We will continue to support the People’s Collection Wales digital heritage programme. This programme is delivered via a federated partnership of three sponsored bodies: Amgueddfa Cymru – National Museum Wales, the National Library of Wales and the Royal Commission on the Ancient and Historical Monuments of Wales. The programme encourages, empowers and supports individuals and community groups to create and upload their own digital content to the PCW website, alongside material contributed by the lead partners and other cultural heritage organisations. A decennial review of the programme has been completed in 2020, and the recommendations are currently being considered, with a view to ensuring the model, platform and outputs of the programme are fit for purpose. Our budget to support this activity in 2021-22 is £350k revenue and £50k capital funding.

## **National Botanic Garden of Wales**

We will maintain revenue funding of £594k and increased capital investment by £280k for the National Botanic Garden of Wales in 2021-22. The funding supports the garden's core mission of research and conservation of biodiversity, sustainability, lifelong learning and the enjoyment of its visitors.

The garden continues to aim for a strong financial and commercial foundation with income from visitor admissions, corporate and fundraising activities and new commercial ventures to facilitate delivery of its mission.

Welsh Government funding supports a wide range of initiatives, including training and placement opportunities for those in further and higher education, provision of therapeutic and rehabilitation activities linked to horticulture and nature through working with local health boards, and conservation and research activities to maintain and enhance a biodiverse natural environment with healthy functioning ecosystems.

### **3.3 Information on allocations (and their location) in your portfolio to provide for legislation which has the potential to impact in the financial year 2021-22 as relevant to Arts, Culture and Heritage.**

Currently there is no new legislation requiring budget provision in 2021-22.

### **3.4 Implications of the UK exit from the EU on the Arts, Culture and Heritage portfolio and how the Welsh Government will manage any predicted impact.**

The portfolio has greatly benefited over the years from EU funding for certain projects. For Cadw only limited funding has been secured in very recent years; but more generally clarity is awaited from the UK Government about the degree to which baselines will be augmented to replace EU funding, and how arrangements for the Shared Prosperity Fund will work.

The UK Government announced in December that a replacement for the Creative Europe programme would not benefit from direct funding as part of the comprehensive spending review, the Culture element has not been supported directly however the creative film and screen element has. Opportunities still remain to access a very limited fund via the Shared Prosperity Fund.

The Welsh Government is strongly opposed to the UK Government's proposals on future migration, and during the COVID-19 pandemic and the emerging economic crisis this has shone a light on the dependence on workers who are originally from the European Economic Area for essential front-line services. However, the UK Government has made clear that it does not plan to change either the timing or content of its future system as a result of the disruption caused by COVID-19. Welsh Government felt bound in these circumstances to engage with the development of a Welsh Shortage Occupancy List (SOL) so that it reflects, as best as we are able at this time, the current skills requirements of the Welsh economy. Since Welsh Government does not endorse the UK Government's determination to include only work at NQF level 3 or above as 'skilled', our consideration also includes skills gaps below this threshold.

### **3.5 What assessment the Welsh Government has made of financial impact the pandemic has had on areas within the Arts, Culture and Heritage portfolio (both in terms of increased costs and reduced incomes) and how this is reflected in budget allocations.**



For 2021-22 revenue budgets have been maintained. Whilst the adverse impacts are likely to continue as a result of the pandemic the financial impact cannot be quantified with certainty. Therefore there are no additional allocations in the draft Budget but this position is being closely monitored and an assessment of the heritage and culture sectors will be made to consider further funding across portfolios as the situation develops.

Cadw's commercial income levels have been severely impacted in 2020-21 by the pandemic. It is envisaged that there will be an ongoing effect into 2021-22. Whilst the provision of vaccines should help, there is still likely to be a significant impact on the total commercial income position for the year as a large proportion of the income is generated in the spring and summer period, before the full effect of the vaccine programme is felt. Cadw will continue to strive to maximise its commercial income levels, within the context of these restrictions. Similarly, the heritage sector generally has been severely impacted this year. Some support was provided in 2020-21 via the Cultural Recovery Fund as well as the furlough scheme, but even for those organisations who survive, recovery will be difficult and will take time.

Official statistics demonstrate the scale of the economic value and important role of the cultural and arts sectors in Wales. The latest figures published before the Covid-19 pandemic, show that the combined Gross Value Added of the creative industries and cultural sectors in Wales was £1.5bn<sup>1</sup> (£1,018m and £493m, respectively). In addition, these sectors employ approximately 85,000 people in Wales, of which 38,000 (45%) are self-employed<sup>2</sup>, and at additional risk from the negative economic effects of the virus. These sectors contain a higher percentage of self-employed workers when compared to the number of self-employed people in the UK workforce as a whole (15.1%)<sup>3</sup>. Additionally, there are approximately 8,000 VAT registered businesses in Wales operating in these sectors<sup>4</sup>.

Evidence is beginning to reveal the scale of the possible negative impacts brought on by the pandemic. We know that this employment downturn affecting those working in the culture and arts sectors particularly badly. The Office of National Statistics is surveying businesses in the UK to understand the impact of COVID-19 on sectors<sup>5</sup>. Responses from 361 arts, entertainment, and recreation businesses are included in a recent wave (19/10/2020 – 01/11/2020). Of those businesses in this sector that were surveyed, 31% reported a decrease in profit of more than 50% in the last two weeks, and 17% reported a decrease of between 20% and 50%. 40% of businesses in this sector cited a high confidence their business would survive the next three months, an increase of 10% from the previous survey wave. However, 10% of businesses in cited low or no confidence their business would survive the next 3 months. Businesses in these sectors reported that 33.6% of staff were on partial or full furlough leave – this figure is higher than all other 14 industry classifications.

Research conducted by the OECD<sup>6</sup> identifies that this 'culture shock' has affected the cultural and creative industries worldwide. They report that venue based sectors (museums, performing arts etc.) are the hardest hit by social distancing measures and that abrupt drops in revenue has resulted in reduced wage earnings and lay-offs within the sector, with repercussions for the value chain of supplier. "In the absence of responsive public support and recovery strategies, the downsizing of cultural and creative sectors will have a negative impact on cities and regions in terms of jobs and revenues, levels of innovation, citizen well-being and the vibrancy and diversity of communities."

---

<sup>1</sup> [DCMS Sectors Economic Estimates 2018: Regional GVA](#)

<sup>2</sup> [DCMS Sectors Economic Estimates 2019: Employment](#)

<sup>3</sup> [Trends in self-employment in the UK: Analysing the characteristics, income and wealth of the self-employed.](#)

<sup>4</sup> [DCMS Sectors Economic Estimates 2018: Business Demographics](#)

<sup>5</sup> [Business Impact of COVID-19 Survey \(BICS\) results](#)

<sup>6</sup> [Culture Shock: COVID-19 and the cultural and creative sectors](#)

The loss will not however, purely be economic. The full value of the culture and arts sectors is seen through its wider impacts. The activity of these sectors make important, cross cutting contributions to the goals of the Well-Being of Future Generations Act. For example, we know that cultural activities play a role in predicting if someone will report high well-being, as those who attend or participate in cultural activities are 23% more likely to report high life satisfaction<sup>7</sup>. Cultural institutions and organisations also help to build social capital and support volunteers<sup>8</sup>, act as education hubs and provide formal learning sessions<sup>9</sup>, and support the criminal justice system<sup>10</sup>.

### **3.6 Details of where funding previously allocated to the Arts, Culture and Heritage portfolios has been reprioritised due to restrictions on activity due to the pandemic.**

This has been a particularly difficult time for those who work in the culture and heritage sector. The Welsh Government has a £63m Cultural Recovery Fund being managed in 2020-21. This is an evolving situation with the timescales around recovery unclear and uncertain. Our intention is to provide additional funding for recovery for 2021-22 but the scale and the approach has not been determined at this early stage.

#### **Specific areas**

#### **Historic Environment Strategy and Implementation of Historic Environment Act**

### **3.7 Allocations and commentary in respect of the implementation of the Historic Environment Act.**

The implementation of the Historic Environment (Wales) Act 2016 was planned to last for five years 2016 to 2021. Budgeted expenditure for implementation will therefore finish in 2020-21. While there will still be some annual costs associated with the Act, we will have moved out of our planned implementation phase and any costs will be covered as routine expenditure from normal Cadw budgets.

#### **Cadw**

### **3.8 Allocations and commentary in respect of Cadw including revenue generation targets, and recent annual income generation figures.**

Income figures have increased very significantly since 2013-14 when it was £4.8m. This has been the result of a number of initiatives to attract more visitors to sites, including investment in the facilities, together with price increases. The final income figure for 2019-20 was £8.0m – a record for Cadw. Prior to the pandemic, which forced us to close sites on 17 March, we were on course to exceed the budgeted income figure for the year and achieve a figure of some £8.2m.

The income budget for 2020-21 was set at £8.5m. However, the pandemic has inevitably had a huge impact, with sites either being closed, or open but with restricted numbers as a consequence of the need for social distancing, and also impacted by local lockdowns and travel restrictions. The latest forecast figure is £1.4m, and achieving even this figure is dependent upon sites being open in February and March in particular, as visitor numbers normally increase.

---

<sup>7</sup> [Exploring the relationship between culture and wellbeing](#)

<sup>8</sup> [A review of the Social Impacts of Culture and Sport](#)

<sup>9</sup> [Spotlite on Museums 2016: Report for Museums, Archives and Libraries Division, Welsh Government](#)

<sup>10</sup> [Arts and culture in health and wellbeing and in the criminal justice system: A summary of evidence](#)

Prices are being retained at 2020-21 levels for 2021-22. However, one positive aspect is that membership numbers have increased slightly. Members were offered discounts as a result of the pandemic, and renewals have held up well, as well as attracting new members. This should benefit income levels in future years, providing members renew at the full rate, as we recover from the effects of the pandemic.

Cadw was allocated additional capital of £10.1m profiled over 2018-19 to 2021-22 to invest in sites to develop the visitor experience and increase income levels in the future. Ambitious plans for the development of the castles at Caerphilly and Caernarfon are now being implemented.

More broadly, Cadw is working for an accessible and well-protected historic environment for Wales. It looks after, and provides access for the public to, 130 monuments across Wales. Of these, 29 are staffed sites and the remainder are free open-access sites. Capital expenditure on the conservation of monuments also remains an important priority.

### 3.9 Allocations towards funding for owners of historic assets

There are more than 30,000 listed buildings and 4,200 scheduled monuments in Wales, and the majority are in private ownership. Most of those owners conscientiously care for their properties, which constitute a precious legacy for present and future generations.

Cadw has published an extensive range of guidance and signposting to available grant funding which can be downloaded without charge from the Cadw website. My Cadw officials are always happy to provide advice on general queries relating to historic assets, but specific enquires relating to the management of listed buildings are the responsibility of the local planning authority. However, if proposed works or other matters raise difficult questions, my officials are happy to offer advice in pre-application discussions involving all parties.

The listing of a building or the scheduling of a monument brings no entitlement to grant assistance. As with any building, the maintenance liability is a matter for the owner. However, Cadw does have grant schemes which are underpinned by the core objectives of our national strategy - *Prosperity for All*. Value for money judgements are made on the submission of costed estimates by the applicant, assessed by Cadw's Inspectors.

Cadw has the following capital grant schemes:

- **Listed Building Grants**

Currently Cadw prioritises grants for the repair and restoration of listed historic community assets such as village and community halls, institutes, libraries, and historic places of worship which are open for wider community use. Eligible buildings will typically include listed community assets which are at risk, schemes offering enhanced public access and opportunities for skills development and training, and schemes which deliver benefits to communities or stimulate regeneration opportunities.

Privately owned residential properties will not normally be eligible, since they tend not to provide the widest possible benefits as set out in the national strategy.

- **Ancient Monument Grants**

Ancient monuments can range from Neolithic burial chambers to buildings of the industrial revolution. Many are vulnerable and we recognise that repair works may be costly or may not always be in the financial interests of the owner of the monument.

We consider grant applications for works of preservation, maintenance and management of ancient monuments. Public access and interpretation of ancient monuments is also be considered. The precise works will vary depending on whether the monument is the remains of a stone castle or a field monument, such as a pre-historic earthwork.

Grant requests are assessed against criteria including the necessity and urgency of the works, appropriateness of proposals, scale of expected impact, value of match funding and level of community benefit. Wider community benefits which can be achieved by conservation projects include provision of interpretation, holding open days or participating in open doors events, providing training opportunities, and involvement of volunteers. We would also expect that reasonable public access to the site is provided.

In 2020-21 the capital spend on these grant programmes is forecast at £0.7m. The budget for 2021-22 is being increased to £1.1m

## **National Museum Wales and the National Library of Wales**

### **3.10 Allocations and commentary in respect of the National Museum of Wales and the National Library of Wales, including any revenue generation targets.**

The National Library of Wales and Amgueddfa Cymru – National Museum Wales are both high profile cultural institutions. They are pro-active in delivering government priorities and engaging the people of Wales in cultural activities as well as important facilitators for projecting Welsh culture internationally.

We have been able to maintain the revenue budgets of these two national institutions in 2021-22. Both organisations recognise that funding options are limited for Welsh Government as it faces managing the Covid-19 pandemic combined with continued austerity.

The findings of the Tailored Review of the National Library of Wales were published in recent weeks, and we will work with the Library on developing an action plan for the future.

The National Library's commercial annual income generation target is £0.7m and the Museum's gross target is £5.5m, with a net target of £1.3m. The Library does well in attracting charitable donations and bequests but finds the commercial income generation target challenging, with less on-site options for generating revenue when compared to the Museum with its shops and cafes across seven sites.

Free entry to the National Museum of Wales sites remains a commitment. This is an important policy in terms of removing barriers to participation in cultural activities for people from disadvantaged backgrounds and/or those on low incomes. It also encourages repeat visits and community use of our National Museum of Wales sites and facilities.

Total capital funding of £7.392m in 2021-22 will support decarbonisation and digital priorities and help address the challenges of operating in historic buildings, the need to keep our national collections safe, and the requirement to provide continued and safe public access whilst maintenance work is ongoing. The National Museum of Wales has to manage these challenges across seven different sites. Capital maintenance funding is not just about fixing existing issues – although there is currently a backlog of capital maintenance work. It is also about supporting work streams which will improve visitor experience and increase the bodies' ability to generate additional revenue from their refreshed and upgraded public spaces.

The Royal Commission for Ancient and Historic Monuments of Wales has a leading national role in developing an appreciation of Wales' archaeological, built and maritime environment. The Commission cares for a vast and unique collection of photographs, maps, images, publications and reports supported by a team of expert staff and provides high quality digital content, services and resources which is easily accessible to national and international audiences. We are maintaining its total budget at £1.799m in 2021-22.

All three of these institutions are part of the Historic Wales Partnership. Given the extreme pressure on our revenue budget, there will be an even greater need in 2021/22 for collaboration between all the bodies within the Historic Wales partnership to explore what efficiencies can be gained through effective joint-working: via commercial partnerships and potential shared management of back-office functions.

## **Libraries, Museums and Archives**

### **3.11 Allocations and commentary in respect of the Libraries, Museums and Archives Strategies.**

Total funding of £3.467m within the Local Culture and Sport BEL in 2021-22 will support libraries, museums and archives to deliver our priorities with a particular focus on widening participation, improving health and well-being, addressing loneliness and boosting skills for those living in our most deprived communities – contributing to employability, engaging and empowering young people, and supporting early years through family learning and targeted literacy and reading initiatives.

We will continue to support our local museum, archive and library services to deliver for their local communities with a particular focus on the development of digital resources to widen access for those unable to visit. Covid-19 has demonstrated that there is a need for better digital services and a more robust approach to being able to continue to engage with stakeholders when it is not possible for people to visit various organisations in person. This is about much more than continuing to engage through social media channels that were being done fairly successfully – this is about transforming how services and events could be offered across the board, and it is about considering whether this kind of digital transformation could significantly extend the reach of our culture and heritage organisations and potentially provide additional income streams in due course. Additional financial support already distributed to the sector is already making a difference and this will be a continued priority next year.

By taking an integrated approach across national and local delivery we will also maximise the benefits that people derive from collections and services. It is vital that the sector is supported in its work and to encourage the development of a more strategic approach to local museum, archive and library services across Wales. We need to encourage partnership working to make the best use of Welsh Government investment.

### **Museums**

Professional staff and dedicated volunteers in museums across Wales care for 1000s of objects which tell the stories of local people and communities. They are a major provider of educational opportunities outside schools. The pandemic has resulted in education and outreach services moving on-line and museums need funding to develop and consolidate the switch to digital provision. Museums across Wales need support to ensure their exhibitions and collections are representative of diverse communities – especially in response to the Black Lives Matter

campaign. We will continue to provide essential advice and support to the local sector and to manage the UK scheme for Museum Accreditation.

## **Archives**

Archives remain a vital resource for understanding our national, community and personal histories. We will continue to support the UK Archives Accreditation Standard in Wales, and ensure that our local archive services are able to meet their statutory responsibilities as custodians of our national record. Funding will also support the sector to address the critical challenge of managing the shift towards digital recordkeeping and access to these digital resources.

## **Libraries**

Public libraries deliver an extensive range of activities for communities, families and individuals, and with 1.3 million library members, they reach almost 50% of the population<sup>11</sup>. Libraries engage with partners to support digital inclusion, skills, early years reading and learning, health and wellbeing, and social inclusion - particularly for older people; as well as providing access to culture, information and technology. We will continue to support the crucial role of libraries in supporting the health and wellbeing of communities across Wales. Libraries are the ideal spaces in the heart of the community to provide help to people suffering from dementia and their carers. Libraries in Wales will continue to develop reminiscence resources for those suffering from dementia. The continued development of Dementia friendly libraries improves the inclusion and quality of life for people with dementia and their carers.

Our investment in digital library resources will continue next year and funding of £200,000 will be channelled through the National Library of Wales to deliver the National Digital Library Service that is available to Welsh library users via the [all-Wales library portal](#) and via the individual Welsh library services. This is crucial considering that libraries have seen a dramatic increase in the number of individuals using digital resources especially since Covid-19. Bolinda, one of the main providers of e-books and e-audiobooks in Wales through their Borrowbox service, have highlighted the fact that from April to August 2019, total loans were 186,002 and this figure increased to 394,089 for the same period in 2020, an uplift in loans of 112%.

We will continue to provide funding to undertake our statutory requirements in relation to libraries including monitoring the provision of public library services through the Welsh Public Library Standards to ensure that a 'comprehensive and efficient' service is provided by local authorities, as required by the Public Libraries and Museums Act 1964.

## **Capital investment**

There is a clear need to maintain our capital investment next year across the local museums, archives and libraries sector. Our Capital Transformation Grant programme is open to the local sector and provides more than £1.4m capital funding each year. We awarded more than £1.2m in grants to ten museums and libraries across Wales in 2020-21 as part of this fund and there is additional demand for support next year.

## **Arts and Arts Council of Wales**

### **3.12 Allocations and commentary in respect of the Arts Council of Wales.**

---

<sup>11</sup> Public library service annual reports 2019 to 2020

Working with Arts Council of Wales, will continue to support and promote the important contribution that the arts make to Wales, to foster an environment in which the arts are able to flourish – an environment which identifies and nurtures creative talent, wherever it's found in Wales, to its full potential. Specific priorities for the year include Promoting Equalities as the foundation of a clear commitment to reach more widely and deeply into all communities across Wales and strengthening the capability and resilience of the sector, enabling creative talent to thrive. Revenue funding of £32.042m is protected in 2021-22. The capital allocation of £1.575m makes provision for Theatr Clwyd.

The importance of the arts on wellbeing and physical health has been dramatically underlined by the pandemic, the Arts provides an outlet for many during these difficult and uncertain times to individuals, households and communities. In this budget we are maintain our investment in the Arts Council of Wales. Before the pandemic more than four million people attended events presented by members of the Arts Council's Arts Portfolio Wales. In 2019/20, 87% of the adult population in Wales had attended arts events, and 86% of children and young people had taken part in arts activities.

Funding will the help generate the cultural capital for recovery that nurtures the creative industries with knowledge, skills and ideas and continue to stabilise the sector, maintaining employment and work opportunities. HARP - Health Arts Research People is just one example of interventions to prevent ill-health, a collaboration with the NHS to develop new approaches to health, wellbeing and creativity.

We will continue to support Arts + Business Cymru, they provide a vital link between business and the Arts, generating funds to support Artists and culminating in a prestigious awards event, of which C&S sponsor the Philanthropy award.

### **3.13 Allocations and commentary in respect of funding to promote access to the arts.**

Increasing and diversifying levels of access and participation in the arts continues to be a priority in the Remit letter. The Arts Council of Wales uses the majority of its grant-in-aid to core fund 67 key strategic arts organisations and we expect them to continue to prioritise access and engagement work. The five year [Corporate Plan 2018-23: For the Benefit of All](#) emphasises the commitment for an increased focus on access, equalities and diversity and identifies 'Promoting Equalities' as the foundation of a clear commitment to reach more widely and deeply into all communities across Wales. It has a dedicated Equalities Monitoring Group chaired by a Member of its Council, and all its strategies and programmes undergo extensive equality impact testing.

The organisation has delayed its first consultation phase of its Investment Review due to the pandemic and will start the process again in 2021. This process is used to select the group of organisations that will make up its future Arts Portfolio Wales, following similar reviews in 2010 and 2015. This first consultation phase completes in late 2021. The focus of the Investment Review is to enable more people in Wales to enjoy and take part in the arts, and for funded activity to increase the diversity of participants by reaching more widely across Welsh society and attracting a diverse range of visitors.

### **3.14 Allocations and commentary in respect of funding aimed at using arts and culture to tackle poverty.**

The Arts Council of Wales is a key strategic partner in the Fusion programme, supporting organisations to participate by providing practical advice and brokering introductions between

Fusion partners and artists/arts organisations in their areas. Where relevant, it publicises opportunities and disseminates information via its e-news, website and to Arts Portfolio Wales clients. The Arts Council continues to reach out to those disadvantaged communities via the Arts Portfolio Wales clients and is also seeking to directly engage with those communities.

### **3.15 Allocations and commentary in respect of funding aimed at encouraging/enabling arts organisations to generate more of their own income.**

The Arts Council of Wales Resilience Programme has been significantly tested during the pandemic with further substantial funds required to keep a number of the Arts Portfolio Wales Organisations solvent. The resilience programme will require further monitoring and support until the Arts sector is able to return to normal operating circumstances.

The Arts Council of Wales's Resilience Programme ensures that cultural organisations are more business-focused, professional in their management and operation, and able to develop and manage their activities to ensure long-term stability and financial security in a challenging financial climate. This £2m fund has supported 57 of the 67 Arts Portfolio Wales organisations to share best practice, models of delivery and pilot different approaches to long term sustainability. This has proved hugely beneficial for the 85% of the Art Council of Wales's core revenue portfolio who are signed-up to the programme.

#### Media and broadcasting

### **3.16 Allocations and commentary in respect of any funding for the media and broadcasting.**

In 2020-21 total funding of £4.51m was awarded to the Books Council of Wales to support the publishing sector and for emergency COVID-19 support for publishers. Revenue funding includes support for Golwg Ltd and the Digital Welsh-language News Service, Golwg 360. Funding has also been made available through pan-economy Welsh Government emergency COVID-19 support such as the Economic Resilience Fund which has benefited media and broadcasting organisations in Wales. Capital investment of £0.750m was allocated for a new integrated publishing model.

In 2021-22 the total budget of £3.760m for the continued funding of Books Council of Wales initiatives and the Digital Welsh-language News Service. Creative Wales is exploring how opportunities can be increased for media and broadcasting organisations in Wales to benefit from wider Welsh Government and external support schemes during this financial period. Work to develop Memorandums of Understanding with public service broadcasters in Wales to support increased partnership working on broadcasting issues will also consider how we can maximise funding opportunities for Welsh organisations.

### **3.17 Details of spend from the Independent Community Journalism Fund, including how these funding decisions were made, and what outcome they are intended to achieve.**

Between April 2019 and October 2020 the Independent Community Journalism Fund (ICJF) has provided nearly £160k of funding to independent community journalism publications, also known as hyper-local publications. The total funding also includes £53k in emergency grant funding that was provided to help publications in response to the Covid-19 crisis.

The ICJF was open to applications between April 2019 and March 2020. The process was light touch and applicants were required to provide brief details about their publication, confirmation of eligibility



and details of what the funding will be used for. Officials were available to discuss applications and eligibility prior to application submission and were on-hand to guide applicants through the process.

Applications were evaluated on a case-by-case basis by a Welsh Government Panel to ensure it met the eligibility criteria and value for money considerations. To assist with the evaluation process, each eligible applicant provided consent for their application to be shared with the Centre For Community Journalism (C4CJ). The C4CJ acted in an advisory capacity as experts in the field of hyper-local journalism to provide comment on the proposed activities; however they were not part of the approval process.

In April 2020 there was a small under-spend and an emergency grant was offered to eligible publications to support the sector through the coming critical few months to try and maintain sustainability and to continue to give communities vital news during the Covid-19 crisis. This business resilience grant funding was for the purpose of day-to-day costs such as rental costs, wage costs and license/website fees etc.

The ICJF has supported a range of activities and funding activity ranged from innovation designed to generate new income streams, to bigger premises and improved websites. The outcomes of the ICJF include:

- Increased marketing and branding including search engine optimisation to increase readership and widen of the reach of publications.
- Increased advertising to increase revenue streams.
- Technical improvements to websites, new software, upgraded platforms to make them easier to use.
- Development of new online services.
- Staff development through training and attendance at industry conferences.
- Additional specialist staff costs such as sales, photography and advertising staff to improve business processes and improve productivity.
- Business growth and improved professionalism through expansion into new office space

## **Creative Wales**

In 2021-22 Creative Wales total budget allocation is £8.697m, including an additional allocation of £1m to accelerate the projects in development. Creative industries in Wales including film and television production, digital and musical production representing one of Wales' fastest- growing sectors, with an annual turnover of more than £2.2billion and employing over 56,000 people, 40% more than 10 years ago. Film and TV companies spent around £55m in Wales in 2018, supporting local businesses and also contributing to tourism and awareness of Wales. As one of the pillars for the international strategy the budget, the additional investment of £1m will strengthen the offer and further promote our international reputation as a centre of excellence for production and high end TV drama, with major studios such as Fox, NBC Universal, Netflix and HBO all choosing Wales for their productions.

### **3.18 Details of any funding allocated to Creative Wales to support news journalism.**

Total funding of £158,546 is detailed in **Annex B**.

Discussions are underway regarding the need for dedicated funding through the Creative Wales 2021-22 budget to support news journalism. Any decision to support news journalism will therefore need to consider the opportunity cost and overall impact on budget, with reduced budget availability for wider activity to support the creative industries in Wales. Skills development and

wider programmes such as the Clwstwr project can be utilised to encourage new entrants to the market and support new developments in journalism.

## Live Music

### **3.19 Details of any funding allocated to support grassroots music venues**

Final decisions on the 2021-22 budget and Business Plan for Creative Wales are under consideration. As a key sector targeted by Creative Wales, the Creative Wales 2021-22 Business Plan will include a focus on support for the music industry, with funding set aside to support this priority. This will complement funding awarded to grassroots music venues in 2020-21 to help the sector respond to the challenges of the COVID-19 pandemic and support the ongoing resilience of the sector.

## Support for film and television production

### **3.20 The latest revenue and projected revenue figures, and occupancy rates for Pinewood Studios since the commencement of the Management Services Agreement in November 2017.**

In November 2017, Welsh Government and Pinewood entered into a Management Services Agreement for the operation of the Wentloog studio facilities. Under the terms of the agreement, Pinewood managed the Studio on behalf of Welsh Government. Running costs for the studio equated to circa £1.185m per annum. During the earlier part of the agreement period, rental figures were around £0.46m per annum.

In March 2019, Welsh Government entered into a Stage Agreement with Bad Wolf Studios Wales to rent the entire vacant space at the studio for twelve months, with the option to enter into a further two year agreement. During this time, the studio was occupied 80% by Bad Wolf Studios Ltd, consisting of the main studio space, and 20% by tenants of the Media Hub – small office spaces let to supply chain companies in the sector. Under this agreement, the running costs of the studio were covered and a small profit was made. Bad Wolf opted not to exercise an extension beyond the 12 month period.

The agreement with Pinewood came to an end on 31 March 2020, with Welsh Government temporarily managing the space whilst a solution for a longer term tenant as found. The Covid lockdown commenced shortly after the expiry of the Bad Wolf agreement. For a period there would therefore have been a deficit between income and expenditure as no income from production use was generated. The costs associated with operating the studio remained consistent during this period (business rates @ £400k p.a., security @ £222k, maintenance).

From March to October 2020, revenue was generated from new productions being filmed at the studio, including Urban Myth and Hartswood Productions.

Following a successful period of negotiation, Welsh Government has now entered into a 10 year lease agreement with Great Point Media, a London based investment company with a portfolio of existing studio developments in the U.S.A. Great Point Seren Studios took over the lease on the 1st October, and it provides an opportunity for an established media production company to invest in and develop the studio and also bring a slate of new productions. The lease is on commercial terms, the details of which are confidential.

### **3.21 The latest figures for the Media Investment Budget, including total investment, return on investment and Welsh spend (broken down by project).**

A summary of the individual loans investments, the funding recouped to September 2019, and the balance of each project that has been supported by the Media Investment Budget is included at **Annex C**.

### **3.22 The latest figures for the Wales Screen Fund including total investment and Welsh spend (broken down by project).**

The total value of offers is £30.908m with anticipated spend £365.748m. A list of the projects is provided at **Annex D**.

### **3.23 The latest figures regarding the Welsh Government's loan to Bad Wolf Studios including total repayments and Welsh spend (benchmarked against Welsh Government targets).**

The total investment value in Bad Wolf Studios is £18,447,588. At November 2020 actual Welsh spend is £94.4m with £133m anticipated. Total interest due on the loan arrangement is £1.064m with repayments commencing in 2020-21. The latest financial detail is provided at **Annex E**.

## Annex A - Overview of Culture and Heritage Finances - 2019-20 to 2021-22

RESOURCE		2019-20		2020-21					2021-22			
Action	BEL Description	Second Supp Budget £'000	Final Outturn £'000	2020-21 Final Budget £'000	Change £'000	First Supp Budget £'000	Change £'000	Second Supp Budget £'000	Forecast £'000	2020-21 Final Budget £'000	Change £'000	New plans Draft Budget £'000
Support for Culture and the Arts	Arts Council of Wales	31,346	31,346	32,042	0	32,042	25,200	57,242	50,142	32,042	0	32,042
	Amgueddfa Cymru - National Museums of Wales	22,118	22,918	24,355	(445)	23,910	0	23,910	24,210	24,355	255	24,610
	National Library of Wales	10,835	11,235	11,144	(200)	10,944	0	10,944	11,194	11,144	0	11,144
	Support for Local Culture & Sport	3,287	2,204	2,060	(298)	1,762	26,000	27,762	44,462	2,060	757	2,817
	Creative	1,708	1,786	1,708	0	1,708	0	1,708	1,708	1,708	0	1,708
<b>Total Support for Culture and the Arts</b>		<b>69,294</b>	<b>69,489</b>	<b>71,309</b>	<b>(943)</b>	<b>70,366</b>	<b>51,200</b>	<b>121,566</b>	<b>131,716</b>	<b>71,309</b>	<b>1,012</b>	<b>72,321</b>
Media and Publishing	Books Council of Wales	3,649	3,814	3,730	0	3,730	0	3,730	3,730	3,730	0	3,730
<b>Total Media and Publishing</b>		<b>3,649</b>	<b>3,814</b>	<b>3,730</b>	<b>0</b>	<b>3,730</b>	<b>0</b>	<b>3,730</b>	<b>3,730</b>	<b>3,730</b>	<b>0</b>	<b>3,730</b>
Support the Historic Environment	Cadw	11,608	10,452	12,411	0	12,411	300	12,711	12,411	12,411	1,000	13,411
	National Botanic Garden of Wales	581	581	594	0	594	0	594	834	594	0	594
	Royal Commission on the Ancient and Historical Monuments for Wales	1,853	1,623	1,764	(33)	1,731	0	1,731	1,731	1,764	0	1,764
<b>Total Support for the Historic Environment</b>		<b>14,042</b>	<b>12,656</b>	<b>14,769</b>	<b>(33)</b>	<b>14,736</b>	<b>300</b>	<b>15,036</b>	<b>14,976</b>	<b>14,769</b>	<b>1,000</b>	<b>15,769</b>
<b>TOTAL RESOURCE</b>		<b>86,985</b>	<b>85,959</b>	<b>89,808</b>	<b>(976)</b>	<b>88,832</b>	<b>51,500</b>	<b>140,332</b>	<b>150,422</b>	<b>89,808</b>	<b>2,012</b>	<b>91,820</b>

CAPITAL		2019-20		2020-21				2021-22				
Action	BEL Description	Second Supp Budget £'000	Final Outturn £'000	2020-21 Final Budget £'000	Change £'000	First Supp Budget £'000	Change £'000	Second Supp Budget £'000	Forecast £'000	2020-21 Final Budget £'000	Change £'000	New plans Draft Budget £'000
Support for Culture and the Arts	Arts Council of Wales	355	424	755	0	755	2,000	2,755	4,452	755	820	1,575
	Amgueddfa Cymru - National Museums of Wales	2,136	1,786	3,547	0	3,547	0	3,547	4,267	3,547	650	4,197
	National Library of Wales	1,955	1,305	3,095	0	3,095	0	3,095	3,095	3,095	100	3,195
	Support for Local Culture & Sport	1,630	1,447	1,430	0	1,430	1,000	2,430	2,513	1,430	0	1,430
	Creative	515	2,111	5,989	0	5,989	0	5,989	5,989	5,989	1,000	6,989
<b>Total Support for Culture and the Arts</b>		<b>6,591</b>	<b>7,073</b>	<b>14,816</b>	<b>0</b>	<b>14,816</b>	<b>3,000</b>	<b>17,816</b>	<b>20,316</b>	<b>14,816</b>	<b>2,570</b>	<b>17,386</b>
Media and Publishing	Books Council of Wales	30	175	780	0	780	0	780	780	780	(750)	30
<b>Total Media and Publishing</b>		<b>30</b>	<b>175</b>	<b>780</b>	<b>0</b>	<b>780</b>	<b>0</b>	<b>780</b>	<b>780</b>	<b>780</b>	<b>(750)</b>	<b>30</b>
Support the Historic Environment	Cadw	4,710	4,014	8,731	0	8,731	(3,700)	5,031	5,011	8,731		8,731
	National Botanic Garden of Wales	95	395	195	0	195	0	195	195	195	180	375
	Royal Commission on the Ancient and Historical Monuments for Wales	95	97	15	0	15	0	15	35	15		15
<b>Total Support for the Historic Environment</b>		<b>4,900</b>	<b>4,506</b>	<b>8,941</b>	<b>0</b>	<b>8,941</b>	<b>(3,700)</b>	<b>5,241</b>	<b>5,241</b>	<b>8,941</b>	<b>180</b>	<b>9,121</b>
<b>TOTAL CAPITAL</b>		<b>11,521</b>	<b>11,754</b>	<b>24,537</b>	<b>0</b>	<b>24,537</b>	<b>(700)</b>	<b>23,837</b>	<b>26,337</b>	<b>24,537</b>	<b>2,000</b>	<b>26,537</b>
<b>TOTAL RESOURCE &amp; CAPITAL</b>		<b>98,506</b>	<b>97,713</b>	<b>114,345</b>	<b>(976)</b>	<b>113,369</b>	<b>50,800</b>	<b>164,169</b>	<b>176,759</b>	<b>114,345</b>	<b>3,920</b>	<b>118,265</b>

AME		2019-20		2020-21				2021-22				
Action	BEL Description	Second Supp Budget £'000	Final Outturn £'000	2020-21 Final Budget £'000	Change £'000	First Supp Budget £'000	Change £'000	Second Supp Budget £'000	Forecast £'000	2020-21 Final Budget £'000	Change £'000	New plans Draft Budget £'000
Sponsored Bodies Pensions	Amgueddfa Cymru - National	2,391	0	2,391		2,391		2,391		2,391	6,609	9,000
	National Library of Wales Pension Provision - AME	622	0	622		622		622		622	4,378	5,000
<b>TOTAL AME</b>		<b>3,013</b>	<b>0</b>	<b>3,013</b>	<b>0</b>	<b>3,013</b>	<b>0</b>	<b>3,013</b>	<b>0</b>	<b>3,013</b>	<b>10,987</b>	<b>14,000</b>

## Annex B - JOURNALISM FUNDING

Publication	Spend	Application No.	Activity Supported
Caerphilly Observer	£24,058	1	Support staff costs, software licences, staff training, new services to website, local distribution costs
		2	Office space rental
		3	Branded polo shirts for public events, google analytics training, advertising and promotional video
	£8,500	4	Covid-19 emergency funding
My Town Media	£26,608	1	Media pack, business directory, print and distribute flyers
		2	Employee a photographer for 2 month period, Self-service website
	£8,500	3	Covid-19 emergency funding
Wrexham.com	£31,624	1	Support the cost of the videographer/photography one day a week
		2	Purchase a new domain name, North Wales, new branding, website redesign, recruit a part time reporter and support salaries
	£8,500	3	Covid-19 emergency funding
Llanelli Online	£6,526	1	Technical training, upgrade website, recruit sales and marketing staff, to support subscriptions
		2	Rental of office space
		3	Support wage costs, design flyer, distribution costs
	£8,452	4	Covid-19 emergency funding
Inksplott	£14,180	1	Improve website, print bilingual leaflet and distribute, develop a brand for inksplott
	£8,500	2	Covid-19 emergency funding
Cwmbran Life	£2,199	1	Improve website and training
	£2,400	2	Covid-19 emergency funding
Deeside.com	£8,500	1	Covid-19 emergency funding
<b>TOTAL</b>	<b>£158,547</b>		

**Annex C - PROJECTS FUNDED BY THE MEDIA INVESTMENT BUDGET (11 November 2020)**

Project	Investment Value £m	Amount recouped £m	Net Gain / (Loss) to date £m	Targeted Welsh spend £m	Welsh spend to date £m
<b>Under Pinewood Management</b>					
Take Down	3.144	1.11	-2.03	1	1.089
Their Finest	2	2.05	0.05	1.3	1.618
The Collection	<a href="#">1.750[1]</a>	0.38	-1.37	5.5	5.187
Show Dogs	<a href="#">1.566[2]</a>	0	-1.56	4.737	4.338
Journey's End	0.85	0.631	-0.21	1.5	0.903
<a href="#">Don't Knock Twice[3]</a>	0.63	0.655	0.02	0.63	0.641
Minotaur	0.026	0	-0.026		<a href="#">N/A[4]</a>
Lionel the First	0.025	0	-0.025	N/A	<a href="#">N/A[5]</a>
<b>Total</b>	<b>9.99</b>	<b>4.82</b>	<b>-5.16</b>	<b>14.667</b>	<b>13.776</b>
<b>Under Welsh Government Management</b>					
<a href="#">Trampires[6]</a>	2	0	-2	1.6	1.621
Eternal Beauty	1.05	0.87	-0.16	1.214	1.255
Bang	0.35	0	-0.35	1.5	2.562
Tiny Rebel	0.318	0.03	-0.288	0.25	0.26
Goose Green	0.025	0	-0.025	N/A	<a href="#">N/A[7]</a>
Almost Never (formerly True Believers)	0.622	0	-0.622	2.118	2.118
Six Minutes To Midnight	0.75	0.51	-0.24	3.88	3.52
<b>Total</b>	<b>5.11</b>	<b>1.41</b>	<b>-3.67</b>	<b>10.562</b>	<b>11.336</b>
<b>Overall Total</b>	<b>15.1</b>	<b>6.2</b>	<b>-8.82</b>	<b>25.229</b>	<b>25.112</b>

[\[1\] The investment value includes £600,000 of grant funding from the Media Investment Budget](#)

[\[2\] The investment value includes £362,000 of grant funding from the Media Investment Budget](#)

[\[3\] Don't Knock Twice also received £75,000 of grant funding under the Welsh Government's Business Finance scheme](#)

[\[4\] Development funding does not include a Welsh Spend commitment](#)

[\[5\] Development funding does not include a Welsh Spend commitment](#)

[\[6\] Trampires also received £652,572 of grant funding under the Welsh Government's Business Finance scheme.](#)

[\[7\] Development funding does not include a Welsh Spend commitment](#)

**Annex D - WELSH SCREEN FUND INVESTMENT (11 November 2020)**

<b>Financial Year of Offer</b>	<b>Name of Production Company (SPV)</b>	<b>Production Title (Wales Screen Fund)</b>	<b>Value of Offer £m</b>	<b>Anticipated Spend £m</b>
2012/13	Tonto Films and Television Ltd	Da Vinci's Demons Series 1	0.495	3.823
2012/13	Urban Myth Films	Atlantis Series 1	0.25	4.026
2012/13	Pesky Productions Ltd (Boj & Buddies)	Boj & Buddies	0.2	1.003
2012/13	Fiction Factory (Hinterland Films Ltd)	Hinterland Series 1	0.215	3.691
2012/13	Tonto Films and Television Ltd (DVDS2)	Da Vinci's Demons Series 2	0.99	15
2013/14	Avanti Media Group	Wonder World	*0.127	0.763
2013/14	Urban Myth Films	Atlantis Series 2	0.25	4.026
2013/14	Lime Pictures Limited	Rocket's Island	*0.143	0.966
2013/14	Mirror Productions	Petroleum Spirit	0.051	0.358
2013/14	Modern Television	A Poet In New York	0.053	0.855
2013/14	Adastra Creative and Shrinking Cap Productions Ltd	Grandpa in my pocket	0.129	1.612
2013/14	Three Stones Media (The Rastamouse company)	Rastamouse Series 4	0.145	0.885
2013/14	Pure Grass Films Ltd (Drake Equation Ltd)	The Drake Equation	*0.74	5.208
2014/15	Lime Pictures Limited	Rocket's Island Series 4	0.07	0.7
2013/14	Lupus Films	Toot the Tiny Tugboat / Ethel & Ernest	0.55	3.034
2013/14	Green Bay Media Ltd	Castle Builders	0.045	0.32
2013/14	YJB Films (From a Jack to a King Ltd)	From a Jack to a King	0.1	1.229
2013/14	Hartswood Television Ltd	Lady Chatterleys Lover	0.125	0.813
2014/15	Gritty Realism Productions Ltd	Heart of Darkness	0.15	1.794
2014/15	TCFTV UK Productions	The Bastard Executioner	2.5	10
2014/15	Cwmni Da Cyf	Country Fair	0.125	1.019
2014/15	Animortal Studio (Trampires Ltd)	Trampires	0.674	6.738
2014/15	Tiger Aspect Productions (Tiger Aspect (D&F) Ltd)	Decline and Fall	0.1	1.8
2014/15	RF Movie Productions Ltd	Robin Friday - The Movie	*0.2	1.95
2014/15	Touchpaper Television Ltd	Coming up	0.08	0.809
2014/15	Fiction Factory Films Ltd (Hinterland Films 2 Ltd)	Hinterland 2	0.304	5.3
2014/15	Fiction Factory Films Ltd (Hinterland Films 3 Ltd)	Hinterland 3	0.25	4.21



Financial Year of Offer	Name of Production Company (SPV)	Production Title (Wales Screen Fund)	Value of Offer £m	Anticipated Spend £m
2015/16	Bad Wolf Ltd	Bad Wolf Productions	9	133
2015/16	Hartswood Films (Sherlock TV Ltd)	Sherlock Season 4	0.24	2.409
2015/16	Heel Stone Pictures Ltd	Crossing the Border	0.202	2.519
2015/16	Ninth Floor UK Productions Limited	Will Season 1	1.5	18.761
2015/16	Lookout Point Ltd (Pinewood Films 14)	The Collection	0.6	5.5
2015/16	Red & Black Films (Don't Knock Twice Ltd)	Don't Knock Twice	0.075	0.63
2015/16	Vertigo Television Ltd	Britannia VFX	1.1	11.149
2016/17	Beakus Ltd	Toggle Top	0.076	0.944
2016/17	Cloth Cat Animation Ltd (Clothcat LBB Ltd)	Luo Bao Bai	0.225	3.183
2016/17	Riverstone Pictures (Showdogs Ltd)	Showdogs	0.362	4.737
2016/17	Vox Pictures (Keeping Faith Ltd)	Keeping Faith	0.328	4.25
2016/17	Green Bay Media	Mountains and Life	0.03	0.54
2016/17	New Pictures (Requiem Productions Ltd)	Requiem	0.4	5.016
2016/17	Severn Screen Ltd (Apostle Films Ltd)	Apostle	0.385	5.767
2017/18	World Productions (BTK 2016 Ltd)	Born to Kill	0.2	2.5
2017/18	The Forge Entertainment Ltd	Kiri	0.2	2.382
2017/18	Coracle Pictures Limited (Denmark)	Denmark	0.085	1.383
2017/18	Rondo Media Cyf	The Wall	0.045	0.363
2017/18	Touchpaper Television Ltd	4Stories	*0.04	0.631
2017/18	Illuminated Productions Ltd	The Rubbish World of Dave Spud	0.09	0.906
2018/19	Eleven Film Ltd	Schooled	0.485	3.879
2018/19	Boom Cymru	15 days	0.089	1.074
2018/19	Dream Horse Films Limited, Popara Films Ltd and Popara Films (DH) Limited	Dream Horse	0.35	4.384
2018/19	JJ Productions Ltd (Short Form Film)	Jamie Johnson Series 4	0.156	1.927
2018/19	Mad as Birds Ltd and Reliance Entertainment Productions Six Ltd	Six Minutes To Midnight	0.4	3.879
2018/19	Keeping Faith (Series 2) Productions Ltd (Vox Pictures)	Keeping Faith Series 2	0.3	4.654
2018/19	Hat Trick Productions	Warren	0.109	1.304
2018/19	Monterey Productions Ltd (HBO)	Brooklyn	0.22	2.412

Financial Year of Offer	Name of Production Company (SPV)	Production Title (Wales Screen Fund)	Value of Offer £m	Anticipated Spend £m
2018/19	GOL Production Ltd (Pulse Films)	Gangs of London	0.35	4.209
2018/19	Iele Productions	Merched Parchus	0.041	0.444
2018/19	Blacklight TV	4Stories series 2	0.102	1.574
2019/20	All That Limit	Brave New World	2	20
2019/20	Joio	Bang Series 2	0.19	2.3
2019/20	JJ Productions Ltd (Short Form Film)	Jamie Johnson Series 5	0.06	1.827
2019/20	Vox Pictures (Keeping Faith Series 3)	Keeping Faith Series 3	0.240	3.965
2019/20	WP Productions Ltd (World Productions)	The Pembrokeshire Murder	0.200	2.135
2020/21	Hartswood TV Ltd	Roald & Beatrix: The Case Of The Curious Mouse	0.225	2.247
2020/21	Illuminated Productions Ltd	The Rubbish World of Dave Spud Series 2	0.140	1.407
2020/21	Joio Cyf (Joio (Bang 2) Ltd)	Bang Series 2	0.190	2.302
2020/21	Lupus Films (Kensukes Kingdom Ltd)	Kensukes Kingdom	0.100	0.841
2020/21	Little Door Productions Ltd (Little Door (The Pact) Ltd)	The Pact	0.595	5.953
2020/21	One Tribe TV Limited	Wonders of the Celtic Deep	0.077	0.618
2020/21	Eleven Films (Starco TV 3 Ltd)	Sex Education Series 3	0.432	5.186
2020/21	WOTW2 Ltd- Urban Myth films	War of the Worlds Series 2	0.750	7.344
<b>TOTAL (excluding withdrawn offers*)</b>			<b>30.908</b>	<b>365.746</b>

## Annex E – BAD WOLD STUDIOS INVESTMENT (11 November 2020)

Investment	Investment Value (£)	Drawn down to date (£)	To be drawn down in future years (£)	Accrued interest @ 7.52% to date (£)	Paid interest @ 7.52% to date (£)	Bad Wolf match funding (£)	Expected Welsh Spend (£)	Achieved Welsh Spend (£)
Repayable Advance	4,500,000	4,500,000	-	1,063,937	51,481	-	54,000,000	54,000,000
Further Grant	4,500,000	2,305,183	2,194,817	N/A	N/A	-	79,000,000	40,396,745
Purchase of Buildings 1 and 2, Trident Park	6,000,000	6,000,000	-	N/A	N/A	-	N/A	N/A
Acquisition fees	30,000	30,000	-	N/A	N/A	-	N/A	N/A
Studio Fit out Works	2,650,000	2,650,000	-	N/A	N/A	2,800,000	N/A	N/A
Pinewood Studio Wales Fit out Works	667,588	667,588	-	N/A	N/A	692,412	N/A	N/A
SAWS	80,000	40,000	-	N/A	N/A	-	N/A	N/A
Deposit	N/A	N/A	N/A	N/A	N/A	250,000	N/A	N/A
Youth Drama Network	20,000	20,000	-	-	N/A	-	N/A	N/A
<b>Total</b>	<b>18,447,588</b>	<b>16,212,771</b>	<b>2,194,817</b>	<b>1,063,937</b>	<b>51,481</b>	<b>3,742,412</b>	<b>133,000,000</b>	<b>94,396,745</b>