

CCWLSIR Committee general scrutiny session, 10 July 2024:

Welsh Government's evidence paper

Background

1. As outlined in my Oral Statement last month, the policy areas within my portfolio reach across many aspects of Government and have the potential to make profound and lasting change to the lives of people and communities across Wales. Culture, heritage, sport and social justice are interconnected pillars, and when leveraged effectively can help build a more inclusive, equitable and vibrant society.
2. I am focused on delivering a strong cultural, heritage and sports offer. The cultural well-being of Wales is indivisible from our society, environment and economy. I recognise the intrinsic value of culture, sport and heritage and commit to the principle that every person in Wales has the right to access, create, participate in and to see themselves reflected in the cultural, sporting and heritage activity of our nation. Our ambition is for these sectors in Wales to be thriving, with a long-term strategic plan for investment.
3. I remain committed to developing policies through a poverty and equality lens and identifying opportunities to re-prioritise budgets to deliver better shared outcomes on reducing poverty and inequality in the longer term. For example, we are also working towards making a measurable difference to the lives of Black, Asian and Minority Ethnic people through my portfolio. We have committed capital and revenue funding of just over £5m across three financial years (2022-25) for projects and programmes which support the aims and objectives of the Anti-Racist Wales Action Plan.
4. This financial year, 2024-25, is the final year for which the Welsh Government has been allocated funding from the UK Government. Details of funding for sport, heritage and culture are set out in the Final Budget passed by the Senedd in March.
5. We have no certainty on future funding at the moment, but we are expecting another multi-year funding settlement. The outlook for public finances remains challenging and the Welsh Government will continue to face hard choices as we enter the next spending review period. Any decisions on future funding for sectors across Wales will form part of future discussions as part of the next annual budget and Spending Review.

Priorities for the portfolio

6. All sectors within my portfolio are facing considerable challenges resulting from the squeeze on public spending and budget reductions. Our 2024-25 budget is worth £700m less than when it was agreed. We worked to mitigate impacts on cultural and sports organisations, but tough decisions were required. We continue to work closely with our sport and cultural arm's length bodies as they develop new plans to operate within their revised budgets, while minimising job losses.

We are aware that organisations within the local culture sectors continue to feel pressure on their funding from governing bodies.

7. The Welsh Government continues to provide direct funding to support the sport, arts and culture sectors to deliver on our Programme for Government commitments. Our Term of Government remit letters set out strategic priorities for our sport and cultural arm's length bodies, such as tackling poverty and the threats of climate change.
8. Other priorities for my portfolio include the delivery of a culture strategy and implementing the recommendations of the Cadw governance review, but summarised as follows:

Culture - Continuing to deliver our statutory duties and Programme for Government commitments, including –

- **'Priorities for Culture: 2024-2030'**. There is a live public consultation, launched in late May.
- **Protecting our national cultural institutions for future generations** – We aim to prioritise protection of Amgueddfa Cymru and the National Library of Wales as custodians of our cultural heritage, working with both institutions to develop viable estate strategies and to protect their futures in line with their respective commercial strategies.
- **National Contemporary Art Gallery for Wales**. The PfG commitment to the dispersed model of the Contemporary Art gallery is progressing well.
- **Redevelopment of Theatr Clwyd and the Creation of a National Football Museum**. Both of these major Investment projects are on track to launch in 2025-26

Heritage - Continuing to deliver our statutory duties and Programme for Government commitments, including –

- **Cadw governance review** – to develop and implement an action plan for those recommendations which are affordable and will allow Cadw to grow and operate more effectively. To include a review of options for the future relationship with the RCAHMW and other Historic Wales partners.
- **Invest in, and grow the audience to, Cadw's historic properties** – to improve safe public access, visitor offer and audience development, grow commercial income and conserve and maintain them for future generations – with a current capital investment focus by March 2026 on Caerphilly Castle, Castell Coch, Tintern Abbey and Castell Conwy.
- **Tackling heritage at risk** – oversight of the legislative and policy framework for the historic environment of Wales, building on the groundbreaking Historic Environment (Wales) Act 2023, and supporting the owners and managers of the tens of thousands of protected historic buildings and places throughout Wales.

Sport

- **Investing in sports facilities** – Recognising the preventative power of sport and physical activity in relation to health and wellbeing, we will reinforce our Programme for Government to use our capital funding to invest in facilities, particularly focused in more disadvantaged areas. We will complete a review by March 2026 of all Sport Wales investment undertaken over the course of the three-year programme of investment (2023-26).
- **Promoting equal access to sport** - We will continue to promote equal access to sport and tackle inequality in all its forms.

9. In response to the specific queries in your letter, I am providing an update below.

Draft Priorities for Culture in Wales: 2024-2030

10. The draft Priorities for Culture were published for consultation on 23 May¹. I have agreed an extended period of consultation, to take us through the August summer holiday period and into early September. Committee members will have seen my written statement launching the consultation².

11. The new Priorities set out our vision for the arts, museums, libraries, archives and historic environment sectors for the next five years, providing a succinct and straightforward outline of our ambitions for culture and how we want to shape our cultural services going forward. Culture is an incredibly powerful tool in bringing us all together, delivering social justice and strengthening our national identity. The Priorities are a very clear expression of our belief in the importance of culture and its role supporting delivery across a range of policy areas, improving the lives of people across Wales.

12. Development of the Priorities has been inclusive and values-led, based on extensive engagement with a wide range of sector stakeholders and informed from the outset by our Well-being of Future Generations Act, which puts cultural well-being at the heart of sustainable development and includes the goal to achieve 'A Wales of Vibrant Culture and Thriving Welsh Language'.

13. The draft Priorities focus on three main priorities:

- Bringing people together through culture
- Promoting Wales as a nation of culture
- Ensuring the culture sector is resilient and sustainable

14. These are supported by twenty ambitions which include culture being accessible to everyone in Wales, building relationships at home and abroad through culture and helping the sector to prosper now and in the future.

¹ [Draft Priorities for Culture in Wales 2024 to 2030 | GOV.WALES](#)

² [Written Statement: Launch of consultation on the draft Priorities for Culture: 2024-2030 \(23 May 2024\) | GOV.WALES](#)

15. The draft Priorities fully acknowledge the financial challenges faced by the sector but also look to the future by setting the direction and articulating how we can harness the talent, creativity and collaboration we have within our sector. We are not asking the culture sector to do more with less, but we are setting out some clear priorities which will help steer decision-making at a more granular level.
16. The revenue funding originally allocated for the implementation of the culture strategy in 2024-25 has now been repurposed. The decision to do so was taken with Plaid Cymru, both parties agreeing the first priority was to mitigate against job losses at a number of our cultural Arm's Length Bodies. In repurposing this funding, we communicated the importance of protecting specialist skills to our national cultural bodies and this has been a key consideration for them when looking at their workforce.
17. It is critically important we offer a suitable strategic framework for our sector going forward and we are committed to keeping the Priorities under regular review. We have delivered ambitions which set out a clear strategic direction for the next five years. The consultation allows people to tell us if we've got the balance right. The consultation period offers a key opportunity for everyone with an interest to provide their opinions and we will consider every response.

Protecting the National Collections

18. Shortly after being appointed as Cabinet Secretary for this portfolio, I met with the Chairs and Chief Executives of Amgueddfa Cymru and the National Library of Wales. I was assured the collections in their care are currently safe. However, I fully appreciate urgent planning is needed to address the long-term maintenance issues. Their highly skilled staff are also instrumental in caring for our national collections and retaining jobs must be our priority. We have reprioritised funding allocated to delivering the Culture Strategy to mitigate against job losses at our cultural Arm's length bodies, including Amgueddfa Cymru and the National Library.
19. The Amgueddfa and the National Library face significant challenges in maintaining their buildings. In 2022, the total backlog and future maintenance requirement for Amgueddfa Cymru was £66.8m. Whilst discussions regarding the maintenance issues across the wider estate are ongoing, the priority is National Museum Cardiff. Between 2020 and 2023, £3m of its grant in aid has funded two major roof projects which have addressed significant leak sites. However, there remains serious concerns regarding its aging mechanical, electrical and plumbing infrastructure and the impact of water ingress due to further issues with the roof. Amgueddfa Cymru estimates an additional £30m over six years is needed to address the problem. The National Library also has significant issues with its roof and needs an additional £3m to address them. We are working with both institutions to develop appropriate plans and potential funding solutions.
20. Our draft priorities for culture set out our priorities and ambitions for culture for the next five years. We haven't held back in our ambitions for the sector and I hope this is an indication of my commitment to continue to explore all opportunities to support our treasured national institutions.

Funding of sport in disadvantaged areas

21. Like other areas in my portfolio, Sport has not been immune to budget reductions. Despite having to work with a reduced budget, both the Welsh Government and Sport Wales remain committed to investing in disadvantaged areas and targeting under-represented groups to deliver on our Programme for Government commitments for sport.
22. Since the Committee published its “Levelling the Playing Field” report on improving participation and facilities in disadvantaged areas, Sport Wales has changed its investment approach so that it specifically directs funding into areas that need it most, through organisations that will be able to create the most impact against the Vision for Sport in Wales. Equalities are at the forefront of the decision-making process including socio-economic factors.
23. For example, £722k was awarded to clubs and organisations within the most deprived 20% areas in Wales through the Be Active Wales Fund in 2023-24, an increase from £580k in 2022-23. Sport Wales has also supported clubs and organisations through funds including the Energy Saving Grant, Court Collaboration and Capital Fund, all supported through the Welsh Government’s Grant in Aid funding. For example, £25,000 was awarded to the Calzaghe Academy for solar panels, insulation and heating in the constituency of Islwyn through the ESG, as well as £127k to Wrexham CBC for heating and LED lights in Clwyd South through the Capital Fund.
24. The Welsh Government and Sport Wales have also supported the sport sector to help manage the impact of the cost-of-living crisis. This included additional funding from the Welsh Government of £500,000 in 2023 and £500,000 in 2024, and approximately £1.5million from Sport Wales, which was distributed amongst NGBs, National Partners and Sport Partnerships. Sport Wales’s revised investment model was used to derive the actual amounts to each partner, for example with 19 partners using all or part of their investment to support their current membership through the creation of a hardship fund, subsidising membership fees, subsidising members travel, and other costs associated with participating in their sport.

Future broadcasting and media policy

25. We remain committed to supporting a strong broadcasting and media sector. This includes exploring options to help ensure an adequate voice for Wales in decisions affecting Wales and enhanced structures to increase transparency and improve accountability. I recently met with BBC Cymru, S4C and ITV Cymru to discuss joint priorities and ambitions for broadcasting. A range of challenges and opportunities were raised, such as the need for sustainable and adequate future funding arrangements, the impact of global platforms and changing consumer consumption habits and the importance of robust governance arrangements. Ensuring the effective implementation of the Media Act was also raised as crucial to the ongoing sustainability of public service broadcasting. We will continue to work with the UK Government Department for Culture, Media and Sport, Ofcom

and broadcasters in coming months on these issues and to identify opportunities to increase investment and activity in the sector in Wales. The Broadcasting and Communications Advisory Group, once established, will have an important role to play in this, to provide guidance and advice on these matters to help improve the provision of broadcast media for Wales.

26. We continue to support the work of the Wales Public Interest Journalism Working Group. Following the publication of its recommendation report in the summer of 2023 we are continuing discussions with members on how best to action the proposals set out in the report, as appropriate, and the ways in which industry can play its part in making change. To date, we have supported three dedicated journalism pilot projects, Cardiff University's Sector Data Research project, which was recently published, the Independent Community News Network led dedicated Senedd reporter post and the Inclusive Journalism Cymru led Inclusive "Media Development Lab" project. It has also supported two rounds of the hyper-local Journalism Fund.