

Cabinet Secretary for Culture, Social Justice, Trefnydd and Chief Whip - Response to Queries Received from the Culture, Communications, Welsh Language, Sport, and International Relations Committee relating to the National Contemporary Art Gallery for Wales

Introduction

This paper provides evidence to inform the Culture, Communications, Welsh Language, Sport, and International Relations Committee inquiry on plans for the National Contemporary Art Gallery for Wales. It provides evidence against the nine key areas set by the committee.

1. Timeline and Milestones: Information on any key milestones achieved and the projected timeline for ongoing and future actions.

The governance structure for the Project Board delivering the dispersed model was strengthened through the recruitment of independent board members, with specific expertise of capital projects as well as an artist representative. The Project Board maintains four sub-groups, each with its own Terms of Reference. The structure includes separate Stakeholder and Communications Subgroups which oversee and supports activity around wider stakeholder engagement, which has been a priority activity following approval of the full business case (FBC).

The FBC for the dispersed model of the National Contemporary Art Gallery for Wales was submitted at the end of January 2024. The subsequent Gateway 3 review of the FBC culminated in an amber/green rating showing the project's readiness to progress. Within the development and delivery of the full business case, a future operating model (post March 25) was agreed by the Project Board, with transition into the future model being managed as part of the ongoing operational delivery phase of the project.

Digitisation of the current collections at Amgueddfa Cymru and National Library Wales has continued to make good progress. By the beginning July 2024 over 41,577 images have been digitised. Celf ar Y Cyd has been accessed by 22,544 users with 133,568 page views. This work will continue at pace to March 2025, with the digital platform fully integrated into a dedicated National Contemporary Art Gallery Wales website, by January 2025.

A formal announcement of Welsh Government investment in the National Contemporary Art Gallery for Wales dispersed network was made in March 2024. This was timed to coincide with one of the first National Contemporary Art Gallery for Wales exhibitions. The *Teulu/Family* exhibition at the Aberystwyth Arts Centre, curated in conjunction with four families local to Aberystwyth, was the first activity to be delivered as part of the dispersed model of the National Contemporary Art Gallery for Wales, through which art will be displayed in galleries closer to where people live and work to improve access to contemporary art and the national collection.

Y Tyrrau Mawr by Bedwyr Williams is being loaned from Amgueddfa Cymru from the national collection and is part of a show opening at Plas Glyn y Weddw on 20 July, together with new work and a performance by the artist. This will then be touring to Newport Museum and Gallery for October. Newport Museum and Art Gallery will run an outreach programme alongside this, allowing diverse communities and schools from across the city to engage with the artwork as part of their approach to widening access to contemporary art and the national collection, through the dispersed model.

The capital investment programme at Plas Glyn y Weddw will be completed by the end of December 2024 and by February 2025, seven of the nine galleries will have completed their capital works with a return to business as usual by the same date. All galleries will have completed their capital investment programme by March 2025. Transition plans around the agreed, post March 2025, future operating model will be completed by January 2025 with the National Contemporary Art Gallery for Wales Dispersed Model fully operationally from April 25 onwards.

2. Challenges and Adjustments: Any challenges encountered in the implementation process and adjustments made to address these challenges.

The overall project is being delivered in a relatively compressed timeframe in its current operational phase. This meant the time-period allowing for completion of the Outline Business Case (OBC) and Full Business Case (FBC), and the period between Gateway 2 and Gateway 3 reviews was shortened. To address some of the challenges arising from this, additional capital funding was made available to increase project capacity for a limited time-period in Q3 of the 2023-24 financial year.

Delays in moving from the OBC to the FBC phase has resulted in the delivery timeframe for the capital investment programme in the dispersed gallery network being condensed from a planned 24-month programme to 15 months. To address this, project management capacity across the project, including to the dispersed gallery network has been increased using the available budget.

The impact of the 2024-25 10.5% cut to budgets for the Arts Council of Wales, National Library of Wales and National Museums Wales have been in evidence from early January 2024. This has placed additional strain on the capacity of these three organisations as delivery partners for the project. Strengthening support from the SRO and via the wider Project Board has been part of the mitigation approach to manage this challenge.

3. Project Timeline: Are the capital investment works relating to the dispersed network of galleries still on track to be completed at the end of March 2025?

As outlined, the delivery timeframe for the capital investment programme in the dispersed gallery network was condensed from a planned 24-month programme to 15 months, due to wider project delays. However, completion of the agreed programme is currently on target to be completed by March 2025.

Upon completion, the unique national level model for National Contemporary Art Gallery for Wales will deliver its target aim of providing a more equitable geographical spread and a higher degree of access to contemporary art and the national collection for people in all parts of Wales.

4. Business Case and Decision-Making: We anticipate that the full business case for the National Contemporary Art Gallery has now been submitted to the Welsh Government by the delivery partners, and key decisions around the selection of the anchor site and the operating model post-2025 have been made. Can you confirm the status of these submissions and decisions?

The FBC for the National Contemporary Art Gallery for Wales Dispersed Model was submitted at the end of January 2024 receiving an Amber/Green rating. The Gateway 3 Review in February 2024 confirmed “the FBC is fit for purpose against the Terms of Reference set for this Review”.

An operating model post 2025 was included as part of the Full Business Case. The operating model was agreed by the Project Board at its meeting in January 2025.

The agreed operating model has identified National Museums Wales/Amgueddfa Cymru as taking lead ownership of the model post March 2025 and in doing so, continuing to work in partnership with the dispersed gallery network. As a result of internal restructuring at Amgueddfa Cymru, the status of the operating model is a draft with a final version to be developed as part of transition planning prior to March 2025. The final version of the operating model will also give further consideration to the challenge of future sustainability, specifically the identified annual running costs, working to a similar timeline.

The FBC focused on the dispersed model only. Please see Question 7 for further information on the proposed anchor site.

5. Revenue Funding: Please provide an estimate of the ongoing revenue funding required to operate the dispersed network of galleries.

As part of the development of the FBC, a future operating model was developed based on the minimum staffing resource required to deliver the targets and commitments outlined in the FBC and the benefits management plan. The agreed future operating model will continue to maximise opportunities to widen access, and to maintain the expertise and competence necessary to support the wider dispersed network in delivering the ambition for the National Contemporary Art Gallery for Wales. It will:

- Design and curate new exhibitions to support wider audience and participation targets;
- Expedite the loans process for the national collections held by National Museums Wales and the National Library of Wales;

- Lead on partnership work to support artist engagement and increase opportunities for practicing contemporary artists in Wales across the network;
- Continue to develop digital content for members of the public, schools and colleges and be responsible for licencing and copyright across the National Contemporary Art Gallery for Wales
- Deliver a communications strategy supporting the achievement of targets around local, national and international visitors and increases the profile of the National Contemporary Art Gallery for Wales nationally and internationally;
- Develops additional revenue streams and sources;
- Maintains the operational capacity of the National Contemporary Art Gallery for Wales over a 10-year period;
- Provides the required monitoring, evaluation and reporting over an agreed 10-year period;

The agreed operating model to be in place from April 2025 onwards has identified the minimum annual running costs for year one (2025-26) as being £400,000 rising to £550,000 by year ten. These running costs are additional to any revenue funding already committed to the dispersed gallery network for example via the Arts Council of Wales's annual investment review funding or annual grants to the ALBs. These costs were based on a lean operating model albeit one with sufficient resources and capacity to deliver the agreed project benefits over a 10-year period.

A fundraising plan was commissioned and approved by the Project Board. This included developing a case for support. The plan outlines a fundraising approach in which if annual targets are achieved, will reduce central funding requirements. The fundraising plan identifies potential sources of funding from a range of sources including £100,000 from Arts Council of Wales Lottery Funds and £100,000 from trusts and foundations with the remaining £200,000 to come from other public sources, as yet to be identified.

All identified sources of revenue are new and additional funding. While progress is being made to develop live applications, these will all be subject to a competitive process at a time when funding from these sources is already under significant pressure.

The National Contemporary Art Gallery for Wales fundraising plan did consider other sources of annual revenue funding as follows:

- Ticket sales: There will be no income generated from ticket sales from exhibitions as one of the key principles of the project is for access to the national collection to be free of charge to visitors.
- Event sales: Some galleries in the dispersed network may, on occasion, organise specific events around exhibitions which may in some cases, generate a small amount of income. However, such income usually only covers costs and therefore there should be no assumption of income generation from events.
- Merchandise: There is no plan or partner appetite for National Contemporary Art Gallery for Wales branded merchandise at this stage. This would require a significant investment in stock, further financial risk and the partner galleries would not have the capacity to handle specific merchandise of this kind.

Modelling has shown branded merchandise would only bring in very limited income with little or no profit. This could however be reviewed at a later stage.

The National Contemporary Art Gallery for Wales dispersed model is coming into full operational mode at a time when the fundraising landscape in Wales and the UK is challenging and highly competitive. Therefore, the full annual target of £400,000 is challenging to meet.

We understand there may be some funding gaps needing consideration during the first few years of operation. However, these are yet to be quantified.

We have recently received a request for three to six months transition funding to support the move between delivery of the capital project and business as usual delivery. This is currently being considered and discussions remain ongoing as the plan develops.

6. Gallery Space: Now that the galleries participating in the dispersed network have been determined, please advise how much new public exhibition space is being created by this element of the proposal?

Following completion of the capital investment programme, by March 25, eight out of the nine galleries in the dispersed network will have improved their telemetry and security, resulting in new or repurposed spaces, suitably upgraded to satisfy the loan requirements specified for the national collection.

It is important to note a key focus of the National Contemporary Art Gallery for Wales dispersed model has been not only to create new spaces, but rather to maximise existing gallery spaces by significantly enhancing their current capabilities through capital funding.

The focus has been on additionality through bringing existing gallery spaces across Wales and via the dispersed network, up to the standard required to meet GIS standards. In doing so, by the end of March 2025, the available exhibition space across Wales, at the required standards to host the national collection, including higher value loan items, will have increased significantly.

In addition to the spaces available in existing national collection venues (Amgueddfa Cymru and National Library of Wales) each venue should be able to provide between 200-400 square metres of temporary exhibition space and/or equivalent permanent exhibition space which can be dedicated to the display of contemporary art from the national collection.

Early in the project design, Newport Museum and Art Gallery was given permission to pursue a city-wide strategy allowing them to work more closely with existing cultural and heritage venues in the city. Borrowing items from the national collection as part of a wider engagement strategy in the city will focus on lower value items in addition to digital media.

By the end of the current phase, the target to ensure provision of 2,000-3,000 square metres of permanent or temporary exhibition space across Wales by March 2025, complying with UKRG standards to display a Welsh national collection of contemporary art will be achieved. As part of this, the National Contemporary Art Gallery for Wales dispersed network will also find and deliver innovative ways to display contemporary art in outdoor settings.

7. Anchor Site Proposals: Have the proposals for the anchor site been finalised and can you share the site that has been selected with the Committee? Please also provide provisional cost estimates related to establishing and operating the anchor site.

On 10 July, the former Cabinet Secretary for Culture and Social Justice announced additional funding to protect and preserve Wales' national treasures. As a result of this we have needed to review our plans for investing in an anchor gallery for the National Contemporary Art Gallery for Wales.

Given the financial position, we will not be proceeding with the anchor gallery at the current time. However, while the work to establish the dispersed gallery network completes, consideration is being given to ways to increase access to art for all, the intention being to extend the increased access to contemporary art made possible by the dispersed model, so it is available and accessible to people wherever they live and work across Wales.

8. Brand Development: Please provide an update on the development of branding for the National Contemporary Art Gallery for Wales. Please also share with us what this branding presence will look like and what it is intended to convey.

Following research and consultation with partners, artists groups and stakeholders, the NCAGW Dispersed Model Team have been developing options for branding the initiative across all elements of the project (i.e. local galleries and overall initiative). Four options were presented to the Project Board relating to the name, vision, values, mission and visual identity of what we currently know as NCAGW.

We have agreed 'Celf' as the most suitable option but also agreed the following:

- i. The use of 'Celf' along with the words 'the National Contemporary Art Gallery for Wales', until such a time as evidence demonstrates the brand is recognised
- ii. The use of 'Celf' is explored in conjunction with other words to emphasise key elements of the project (e.g. Celf Cyfoes or Celf Cenedlaethol etc.) depending on how the brand develops. This would align well with the digital platform Celf ar y Cyd.

I expect to receive further information on the development of the brand as it takes place.

9. Environmental Sustainability: Has a stand-alone strategy, or statement of principles regarding the environmental sustainability of the Gallery been developed that can be shared with the Committee?

As part of the development of the Full Business Case, organisation level environmental policies and strategies from 6 of the 9 galleries in the dispersed network were supplied, along with those from the three partner organisations. All policies and procedures have been developed to support Welsh Government's ambitions around net zero and sustainability targets. 5 of the gallery partners in the network are local authority organisations and conform to local authority environmental plans.

It is the intention these will be used to support the development of a stand-alone statement of principles for the National Contemporary Art Gallery for Wales, before it becomes fully operational from April 2025 onwards and once the capital investment programme is complete.

The capital investment programme will continue to be delivered in-line with Welsh Government environmental standards and requirements and allow for the gallery network to further improve approaches to environmental sustainability.

The Project Board's Digitisation Subgroup is working to agree metrics to measure the environmental impact of digitising a significant number of contemporary art works from the national collection and making them available via the National Contemporary Art Gallery for Wales's dedicated digital platform. Once completed, this work will also support the development of a stand-alone statement of principles by the end of February 2025.