



Pwyllgor Cymunedau, Cydraddoldeb a
Llywodraeth Leol

Communities, Equality and Local Government
Committee

Bae Caerdydd / Cardiff Bay
Caerdydd / Cardiff
CF99 1NA

Ken Skates AM
Deputy Minister for Culture, Sport and
Tourism

24 October 2014

Dear Minister

Welsh Government draft budget proposals, 2015-16

Thank you for attending the Committee on 9 October 2014 to answer questions on the Welsh Government's draft budget proposals relating to culture and sport for 2015-16.

The Committee would like to draw your attention to the matters set out below, and looks forward to receiving your response, where appropriate, as soon as possible.

We note that the Finance Committee's consideration of the draft budget is structured around the four financial scrutiny objectives of affordability; prioritisation; value for money; and budget processes. We have applied these objectives to our considerations, where appropriate. A copy of this letter goes to the Finance Committee to inform its overarching consideration of the draft budget and it will also be published on our website.

1. Overall priorities

We note the reductions in the draft budget in funding to the arts sector, museums, archives and libraries and media and publishing Spending Programme Areas. While we are aware that reductions in funding are inevitable within the context of existing financial constraints, we have some concerns about the impact of these reductions on the participation of disadvantaged groups in culture and heritage.

We believe that understanding the potential impacts of proposed changes to funding should form a crucial part of the budget planning process. As such, an assessment of these impacts should be undertaken by the Welsh Government before budget decisions are made. Against this background, we were encouraged to hear from you that the decision making process was “very structured” and involved extensive engagement with all sponsored bodies. You told us that all of the bodies “were asked to provide information based on scenarios for reductions to their budgets – indicating what the impacts would be, including impacts on the delivery of Programme for Government and equality considerations”. Your official provided a positive example of where this process had helped shaped your decision not to further reduce funding for the National Library.

2. The arts sector

We note that the arts sector Spending Programme Area has been reduced from £33.8 million in 2014-15 to £32.9 million in 2015-16, a reduction of 4.1% in real terms. We have concerns about the impact of this reduction, in particular the reduction in funding for the Arts Council for Wales (ACW), on participation levels for more vulnerable groups, such as disabled people and lower socioeconomic groups. In seeking to respond to this issue, you told us that the correlation between participation and revenue funding is not clear, and that participation levels are “very much linked to a multitude of other factors”. You asserted that work emanating from the recent reviews into Culture and Poverty, and Arts in Education would help attract and engage new participants, including young people and families. We await this work with interest and will wish to follow up progress on this issue as part of our in-year scrutiny.

You also told us that the ACW remit letter will “reiterate the Government’s priorities to make sure that we militate against adverse impacts” on vulnerable groups.

The Draft Budget Narrative document states that additional funding has been provided to Arts and Business Cymru from within the Economy, Science and Transport budget for it to encourage “the business community to invest in the arts and to help the arts sector become more sustainable and more business focused”. You stated that Arts and Business Cymru is currently providing you with the key performance indicators describing what it intends to achieve with this funding. We would be grateful for sight of these in due course.

3. Museums, archives and libraries

We note that the museums, archives and libraries Spending Programme Area has been reduced from £44.4 million in 2014-15 to £40.9 million in 2015-16, a reduction of 9.3% in real terms. Taking into account the reduction in the revenue support grant, we have concerns about the impact that the reduction in funding for CyMAL of approximately 12-13 per cent, will have on the support provided by local authorities to their libraries.

To address this, your official told us that co-location of some libraries would be considered, to “maintain and, hopefully, increase visitor numbers in the library sector”. In addition, you told us that a “major part” of CyMAL’s work next year will be to continue helping local councils to “repackage” their library services, where possible.

We look forward to the forthcoming report on the Expert Review of Public Libraries in Wales and to your response to our report. We note that CyMAL is currently collecting information on local authorities’ current funding position in respect of museums, libraries and archives. We would like you to provide us with details of this, and of how this will influence Welsh Government budget allocations and policy.

4. The historic and natural environment

You told us that the reduction in allocation for the historic and natural environment Spending Programme Area “reflects ambitions for Cadw’s income to increase” as a result of projected increases in visitor numbers. You also reported your intention to look at digital donations in free-to-visit unstaffed sites as a means of increasing revenue receipts. We would be keen to receive further details about this work as it progresses.

You told us that, despite the reduction in funding, you believed that Cadw sites would be able to attract more visitors from disadvantaged groups, in particular as a result of the work emanating from Culture and Poverty and Arts in Education reviews. You also told us that the Open Doors scheme and affordable entry prices to Cadw sites played an important role in widening access. We would be grateful for confirmation as to how these schemes are provided for in the draft budget.

We are pleased to hear that arrangements are in place to monitor visitors to Cadw sites by socioeconomic groups. We seek clarification on whether, and if so how, the available data will be used to monitor the impact of changes to funding for Cadw on visitor numbers by socioeconomic group.

5. Media and publishing

We note that this is the second year of reduction in funding for the Welsh Books Council (WBC) and that the proposed reduction is £100,000 more than was set out in the indicative 2015-16 figures. While acknowledging that this represents a significant challenge to the WBC, you asserted that you are “confident that [it] would be able to continue to support the publishing industry in both languages”. We would welcome clarification of the grounds on which you made this assertion.

Your official told us that you had discussed priorities with the WBC and would be holding further discussions about how it will cope “in terms of reducing the impact on services”. These would be reflected in the WBC’s Remit Letter 2015-16. On a related note, you agreed to provide us with details on the changes to the commissioning procedure.

6. Sports and physical activity

We are aware that, in the latest *Programme for Government* update, the Welsh Government has acknowledged the need to do more to increase physical activity. We are also aware of the significant reductions in local government funding and the implication of this for the provision of non-statutory services such as leisure facilities. Taking account of these, we have some concerns about the reduction in revenue for the sports and physical activity Spending Programme Area.

You told us that you were in the process of developing an on-line toolkit for to local authorities and community groups, with the aim of providing the “information and support required to maintain sports and leisure facilities”. We look forward to the publication of the toolkit and would welcome information on how you intend to monitor its usage and effectiveness.

Finally, we would like figures on the difference in participation levels in sport and on spending in sport between genders.

Yours sincerely



Christine Chapman AC / AM

Cadeirydd / Chair

cc Jocelyn Davies AM, Chair, Finance Committee