

Rt Hon Dafydd Elis Thomas AM
Minister for Culture, Tourism and Sport
Welsh Government
Tŷ Hywel
Cardiff Bay CF99 1NA

1 December 2017

Dear Dafydd

Welsh Government Draft Budget 2018-19

Background

Thank you for attending the Culture, Welsh Language and Communication Committee's meeting on 16 November to discuss the Welsh Government's draft budget proposals for 2018-19.

Prior to the meeting, the Committee asked for a range of information on those parts of the budget for which you are now responsible and in which the Committee has an interest. The then Cabinet Secretary for Economy and Infrastructure provided us with a paper, dated 8 November, which was published by the Committee along with the agenda and other papers for our meeting on 16 November.

On this occasion the Committee has decided not to report formally on the budget to the Assembly but would nevertheless be grateful for your response to the points set out below. We will publish your response and it would be helpful if it could be provided before the debate on the final budget, which I understand will be held in January.

Specific Issues

Investment in the arts sector across Wales

You mentioned in relation to the Arts Council budget that you consider it important that investment in the Arts is spread more evenly across Wales. Specifically you mentioned the need to invest in Swansea and north Wales in the same way, at least proportionately, as the investment in national institutions in Cardiff.

Members of the Committee welcome this intent. However, do you have any particular plans in mind? Is this something that will be reflected in the Arts Council's remit letter? If so what specific additional steps will you be asking them



to take and what guidance will you provide to them on how they should prioritise resources to achieve the intent?

Widening access and increasing Income

You indicated that widening access to arts and culture remains a key priority. Your officials also indicated that widening and increasing income streams is viewed as complimentary to, or even a means of, widening access. The Committee welcomes any improvement in diversifying the income of our national arts and cultural institutions, particularly from private sector sponsorship and donations. The Committee also accepts that greater diversification of funding may involve increasing income through ticket prices. This could involve increasing ticket prices, or implementing a more commercially-driven programme of events. Neither approach seems consistent with attempts to widen access to the arts.

The Committee would be concerned if the priority of widening access was to be compromised by the need to grow income through paid for events. We would be grateful for your views on how the balance can be struck in a way that increases income without adversely affecting the less affluent.

Youth Arts

On the subject of private sector investment, you referred to investment that has been made by the private sector in Wales, a lot of which you said has been directed towards youth theatre and youth music. The Committee would be grateful for further information on this investment and where it has occurred.

National Museum and Library Capital Spending

The Committee notes that inadequate advance planning has led to the National Museum and National Library reporting significant underspends on their capital allocations. The Committee was given to understand that this funding was subsequently transferred to transport projects. The Committee regrets that the underspends concerned could not be transferred to other priority areas for capital spending within the 'culture' portfolio because there were no 'shovel ready' projects available.

The Committee noted that the funding to complete the capital works in the National Library and Museum will be made available to them in future years. Nevertheless, the Committee is concerned that planning processes did not allow for funding to be spent in the way envisaged. The Committee was grateful for your assurance that this situation will not arise again but would be grateful for further information on what specific improvements have been made:

- to the financial planning and monitoring processes to avoid this problem in future; and



- to ensure that there are capital projects available, within the culture and arts portfolio, that can be completed quickly should underspends arise in the future.

National Art Gallery and Football Museums

£5 million has been allocated in the draft budget for the development of feasibility studies into a National Art Gallery and a National Football Museum. During the meeting it became clear that this funding is a capital allocation for the actual development of these projects following feasibility studies that have presumably already been undertaken? The description of the funding in the Cabinet Secretary's paper of 8 November as being 'to undertake feasibility studies' therefore the Committee would be grateful for a note on the latest position on these projects and what costs the additional funding is intended to meet.

St Fagans National Museum of History

You agreed to provide the Committee with a note updating the Committee on the £7 million investment at St Fagans National Museum of History.

Future of Cadw

The Committee was pleased that you indicated, in advance of your formal statement to the Assembly on 21 November, that the Cabinet had decided that Cadw should remain within the Welsh Government. While a number of issues around the future of Cadw were rehearsed during plenary questions on your statement, the Committee would nevertheless be grateful if you could provide it with further detail of the new flexibilities and operational freedoms that Cadw will enjoy and how these differ from other parts of the Welsh Government civil service.

Heritage skills base

On a different issue relating to Cadw, its work necessarily involves reliance on highly skilled workers, such as joiners and stonemasons, whose skills may be less available in the general economy than they were in earlier times. The Committee would be grateful for a brief note on the arrangements for ensuring the continuance of this skill base into the future. You also agreed to share the skills partnership agreement made with 'English Heritage, Historic Scotland and the construction body for the UK.

Media Forum

The Committee noted your scepticism of the value of the Media Forum and would welcome an early decision on whether a forum will now be established. The Committee's own work in this area has highlighted the breadth and urgency of the issues that need to be addressed. If a media forum is not established, the



Committee would be grateful for your views on what other ways the Government can engage proactively in this area.

Other issues

In addition to the above you also agreed to provide the Committee with a note on:

- how the £100,000 designated for the implementation of the recommendations of the local museums services review will be distributed; and
- how many businesses have received funding from Business Wales in the last 5 years that meet the definition of “businesses in hyperlocal news”? How much has this funding been, what was it for, and how was this split between capital and revenue funding?

Yours sincerely



Siân Gwenllïan AM
Acting Chair

