

CULTURE, WELSH LANGUAGE AND COMMUNICATIONS COMMITTEE WRITTEN EVIDENCE – PORTFOLIO PRIORITIES

1. The purpose of this paper is to provide written evidence to the Culture, Welsh Language and Communications Committee on priorities within the Economy and Infrastructure portfolio that relates to the Committee's remit, including culture, creativity and the arts, marketing and promotion and the historic environment.
2. Prosperity for All - the National Strategy - sets out how we will work across traditional boundaries to deliver our priorities. Our aim is not just about material wealth. It is about every one of us having a good quality of life and living in strong, safe communities with well paid jobs, household incomes and productivity levels.
3. The National Strategy provides a framework for our whole-government approach to increasing prosperity and addressing the root causes of poverty in a more effective, joined-up way.
4. Four cross-cutting themes within the strategy will help us to maximise our impact in these uncertain times and deliver the promise of the Future Generations Act. In my evidence below I set out how my portfolio will contribute to delivering the strategy, as well as setting out my statutory duties.

Cadw

Historic Environment

5. Our national historic assets represent a precious and unique heritage which supports nearly 40,700 jobs, generates £963 million in GVA and is vital to tourism. 61% of overseas visitors cite historic sites as a key reason to visit Wales.
6. A substantial proportion of the ground-breaking Historic Environment (Wales) Act 2016 came into force during May 2017. To complement the new legislation we have also published improved planning policy and advice and wide-ranging best-practice guidance for the historic environment.
7. We are responsible for managing 129 monuments across Wales, and invested in their conservation and development annually. Over the past 18 months we have commenced a programme of quinquennial inspections which gives us a detailed insight into the condition of the properties we manage.
8. In 2017/18 our capital programme includes work at Brecon Gaer, Caernarfon Castle, Caerphilly Castle, Flint Castle and Porth Mawr, as well as a large number of smaller conservation and commercial projects across Wales.

Financial Performance

9. Commercial performance, driven by major improvements to the visitor experience, significantly improved in Cadw and 2016-17 was the most successful in its history, generating over £6.6m income.
10. Following on from improved commercial performance in recent years, early indications of visitor figures in the year to date suggest that Cadw is on course for another successful year.

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Cadw's future status

11. Earlier this year, we broadly accepted the recommendations of the Steering group we established to review the future of heritage services in Wales (<http://gov.wales/docs/drah/publications/170202-historic-wales-en.pdf>). One of the recommendations of the group was to move Cadw outside of Government and in doing so create a new National Institution. Over the summer we have been conducting an options appraisal for the future of Cadw, to test those options against the status quo of retaining Cadw within government. A steering group was set up, chaired by the Director of Culture, Tourism and Sport, with representatives from Cadw, MALD, other departments in ESNR and across Welsh Government to oversee the delivery of the project and its findings are currently being considered.

Facilitating collaboration within the sector:

12. The recommendations of the steering group mentioned above was for much greater collaboration between our leading heritage institutions and the vision for a Strategic Partnership as the solution to protect the heritage of Wales when public finances are under severe pressure. The Partnership was set up in May 2017 and is already making good progress in terms of collaboration on workstreams including skills and development, commercial, and collaborative delivery of back office functions. In addition to the Royal Commission on the Ancient and Historical Monuments of Wales, the National Library of Wales, Amgueddfa Cymru and Cadw, TUS colleagues are a key component of the work of the Partnership.
13. The Strategic Partnership provides a real opportunity to bring a sharper focus and clearer identity to the commercial work of our national institutions

Museums, Archives and Libraries

14. Museums, Archives and Libraries contribute to the delivery of a range of Welsh Government initiatives including tackling social exclusion through the Fusion programme, supporting formal and informal learning for all ages, improving literacy and engagement through initiatives including *'Every Child a Library Member'* and *Taking over Museums Day*, supporting volunteering and apprenticeships, and providing access to information via our network of public library and archive services.
15. Over the coming years, the priority is to pursue a transformational agenda to ensure the sustainability of high quality services against a continuing difficult financial background and to support the development of new approaches, particularly in the area of digital services, to meet the growing expectations of users for online access and service delivery.
16. We will build on the success of the People's Collection Wales digital heritage programme work in the area of community engagement, and expect the sector, both national and local, to play its part in the Year of Legends in 2017 and future campaigns.

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17. The Fusion programme will continue to be a priority, building on the success of the pilot projects, to ensure that disadvantaged groups from all parts of Wales develop new skills and confidence through engagement with culture and heritage.
18. Our national institutions will continue to receive Welsh Government grant-in-aid to protect our culture and deliver services across the nation. In 2018, the work to redevelop St Fagans will come to fruition, helped by a £7 million investment from the Welsh Government.
19. The National Library will continue to lead on digital delivery of services and began the implementation of a new 3 year strategy from April 2017, which will significantly increase the amount of digital content available and deliver innovative and inclusive services .
20. Collaboration with a wide range of other organisations and sectors is key to improving the sustainability of service delivery in a challenging economic climate. We will challenge national institutions, including the National Museum and National Library, to proactively work together to explore ways of increasing external investment in cultural heritage activities and in providing leadership to the wider sector.

Museums

21. Despite challenging circumstances, 91 local museums maintain the standards set by the U.K. Museum Accreditation Standard. They continue to care for the nation's heritage and make it available for the enjoyment and education of local communities and visitors. A new plan to support the museum sector is in preparation
22. Consultants have been appointed to undertake a feasibility study to explore the creation of a football museum, or a more broadly based museum of sport (arising from our agreement with Plaid Cymru on the budget for 2017/18).
23. A feasibility study to explore the creation of a national contemporary art gallery for Wales (arising from our agreement with Plaid Cymru on the budget for 2017/18) has been commissioned.

Archives

24. We are working with local archive services to introduce more sustainable models of service delivery, and to support collaboration to address issues such as the long-term preservation and management of 'born digital' records. A new plan to support the sector is in preparation.
25. Despite current challenges, 11 archive institutions in Wales are now Accredited under the Archive Service Accreditation scheme, the UK wide quality assurance standard for archives which was introduced in 2013, and which is administered in Wales by the Welsh Government. Over 70% of services required to meet the Accreditation Standard to confirm their statutory status as places of deposit for

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public records, have now achieved Accreditation, and the remaining services are working towards Accreditation requirements.

Public libraries

26. The ongoing financial pressure on local authority funding is leading to reductions in public library services including library closures and the transfer of libraries to be fully or partially run by community groups. In these difficult economic times all budgets have to be reviewed carefully. However, public libraries are a statutory duty and contribute to a significant number of important policy areas such as digital inclusion, learning, literacy, prosperity, health and well-being and sustainable communities.
27. We will monitor proposed changes to library services carefully to ensure that local authorities continue to provide “comprehensive and efficient” library services for everyone.
28. We can be proud of our library services in Wales, which according to recent research by the Carnegie UK Trust found that 46% of the population use them, and that around three quarters of people in Wales said that public libraries are important for their communities.
29. Our partnership work with local authorities and the National Library of Wales to improve the digital offer is paying off, with an increase in use of audio-visual materials, and an increase in young people aged 15-24 using the library to 51% (from 2011 to 2016).
30. Our successful Community Learning Libraries Programme, has seen the modernisation of over 100 public libraries in Wales, and has opened up building to new audiences, created modern learning and cultural spaces, and enabled libraries to hold more events and activities in the library. We wish to build on our recent successes and work on a new plan for Welsh libraries is underway.

National Museum and National Library

31. As already highlighted in the previous paragraphs, our national institutions contribute to a range of Welsh Government priorities and strategic agendas, including collaborative activities with other key partners in the cultural heritage section in Wales. Strategic priorities for the National Museum and National Library are set out in my annual Remit Letter. The 2017-18 letter focuses on how these organisations contribute towards priorities in *Taking Wales Forward* and acknowledge statutory duties, including requirements for both bodies under the Wellbeing of Future Generations (Wales) Act.
32. I met with the Chairs and Chief Executives of both organisations recently (25 September) to discuss their organisations’ progress with key projects and activities. Business planning discussions will commence shortly, and both organisations will present their operational plans for 2018-19 (including performance indicators for the coming year) for my approval before the end of March 2018.

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33. Earlier in the year, I commissioned Dr Simon Thurley to undertake a review to help the Welsh Government identify the most appropriate ways in which we can help the National Museum become more efficient and more sustainable. Dr Thurley recognises the quality of Amgueddfa Cymru's national collections, as well as the expertise and knowledge of staff, and regards Amgueddfa Cymru as one of the great museums of the UK. We are now working closely with the National Museum's Board of Trustees and Senior Management Team to determine how best to take the review and recommendations forward.

The Arts

Welsh Government strategic priorities for the Arts

34. Strategic Priorities and key areas of activity in the arts are set out in our annual Remit Letter to the Arts Council of Wales (ACW). The current (2017-18) letter focusses on the priorities set out in Taking Wales Forward. This includes playing a full part in helping to deliver the following new commitments:
- A new Challenge Fund, for sports and arts organisations, to match fund their projects and to fuse creativity and digital exploitation.
 - A National Endowment for Music, to help young people to realise their musical potential.
 - New conditions of funding for cultural organisations that receive public monies, to support young people from deprived backgrounds
 - An extension of the programme of open access to cultural opportunities for young people
 - The creation of an 'A55 Culture Corridor', with the aim of making this one of Europe's major cultural routes.
 - To carry out a feasibility study for a National Art Gallery (arising from our agreement with Plaid Cymru on the budget for 2017/18).
35. In addition to stressing the continued commitment to the requirements of the Well-being of Future Generations Act, the Remit Letter also stresses a number of key themes and activities:
- Being creatively active
 - Tackling poverty and disadvantage
 - Creative Learning
 - Jobs, skills and the economy
 - Health and well-being
 - Regeneration
 - International Work

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- Digital, Broadcasting and Publishing
- Resilience
- A diverse and bilingual Wales

36. Very good progress has already been made in delivering on these current priorities. The 2018-19 Remit Letter to ACW will build on these themes and the progress made. ACW produces an Operational (business) Plan each year, which clarifies how it will fulfil the requirements in the remit letter and we ensure we are content with this plan before agreeing the Key Performance Indicators for the year ahead.

New and additional income for the Arts

37. Despite the additional funding we have managed to provide to ACW this year, recent reductions in public funding mean that all arts organisations are having to look at new sources of funding, and at increasing their self-generated revenue. This includes: sponsorship and corporate giving, philanthropy and individual giving, crowdfunding, membership and ‘friends’ schemes, and grants from charitable Trusts and Foundations. We will be tasking ACW with ensuring arts organisations do all they can in this area in a bid to develop sustainable sources of funding and to be less reliant on public subsidy.

UK City of Culture 2021

38. We fully support the City and County of Swansea’s bid to become UK City of Culture for 2021. If it is successful, we will be providing Swansea with significant funds. We are also ready to provide additional ‘in-kind support’, to help Swansea with the practical challenges of delivering the Year, for example tourism and marketing expertise.

39. This would complement the city deal and accelerate the city’s regeneration. Post-Brexit, it will show the world that Wales remains outward-facing and open for business. It will give a big boost to the people of Swansea’s sense of community and identity.

40. We commend Swansea’s vision of what can be achieved and we wish it every success in becoming the first Welsh city to secure this important accolade.

Publishing and Literature

Independent review of support for publishing and literature

41. The panel’s report was published on 13 June and I made an oral statement thanking the panel for its work. We have subsequently received a range of views from stakeholders, including the relevant bodies involved, namely the Arts Council of Wales, Literature Wales and Welsh Books Council. Some who have written to us have raised concerns about aspects of the report, whilst others have provided statements of support for the report’s recommendations. The independent review

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Panel agreed to consider the comments received and its response was sent to us on 25 September.

42. Prior to this, over the summer, officials met with representatives from the Arts Council of Wales, Literature Wales and the Welsh Books Council to consider the practicalities of taking forward the report's recommendations and inform our view as we prepare a formal response to the report during the autumn.
43. The Culture, Welsh Language and Communications (CWLC) Committee is conducting its own inquiry into the independent review of support for publishing and literature; I gave evidence to the Committee on 12 October.
44. I will consider the panel's response of 25 September and the findings of the CWLC Committee before making my formal response to its report.

Media Forum

45. We will be establishing a new independent media forum, to advise on the future of the media and broadcasting in Wales. During the autumn we will advertise publicly for the Forum's Chair. Following the appointment of the Chair, and with the Chair's involvement, other members of the Forum will be then recruited. The intention then is that the Forum will begin its work as soon as possible.

Marketing and Communications

46. The new 'Wales' destination brand approach introduced in 2016 focuses on the balance between what makes our Nation inherently Welsh and internationally outstanding. It also aims to create a more unified approach and a consistent narrative for promotion of Wales internationally. The work was conducted in response to our ambitions to develop a more integrated approach to promoting Wales to the world as a place to visit, trade, invest and live.
47. The new approach has received a number of accolades from the media, stakeholders and industry and the associated campaigns are delivering strong results.

Tourism Marketing

48. Tourism Marketing typically acts as the flag carrier for Wales. To reinforce the new, more confident approach to promoting Wales, a series of themed years were introduced to coincide with the introduction of the new brand. This started with Year of Adventure in 2016 and Year of Legends in 2017, and will be followed by Year of the Sea in 2018 and Year of Discovery in 2019.
49. The purpose of the themed years is to provide a focal point for marketing and product development and to create a stronger, clearer proposition for Wales as a tourism destination. Year of Legends was chosen specifically to celebrate Wales' culture, and aims to bring our past to life in a modern way, and to celebrate new legends.

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50. We launched our £5m global Year of Legends campaign in January 2017. The campaign focuses on the domestic market including Wales and the broader UK – with a particular emphasis on London and the South East – and has received positive feedback from industry, trade and consumers alike.
51. Throughout the year, we focus on a number of themes that aim to bring different content and stories associated with the themed year to life. For example, there was a focus around Legendary Sport to celebrate the UEFA Champions League Final held in Wales in June, and a focus on Legendary Festivals over the Summer including a giant sword installation taken to the Eisteddfod and Royal Welsh Show. The focus over the Autumn will be towards Legendary Food and Drink, followed by Legendary Journeys at the end of the year to coincide with the introduction of The Wales Way, a new internationally focused tourism route.
52. Early indications show that the Legendary theme is working, with a recent Tourism Barometer survey reporting 40% of tourism businesses enjoying more visitors than 2016, and 82% feeling confident about the remainder of 2017.
53. In terms of our reinforcing our cultural attractions, Cadw and National Museum of Wales sites reported record breaking figures over the Summer. Half a million people visited Cadw sites during July-August, an 8.2% increase on 2016, and half a million people also visited our museums over the same period, showing a 7% increase on 2016.

Major Events

54. Hosting Major Events supports our drive to build a prosperous Wales; they make a significant contribution to the tourism economy. It is a highly skilled industry providing good quality job and training opportunities at a variety of levels. Other priority business sectors also benefit. For example, the creative industries sector gains from hosting events such as Green Man.
55. We also support a thriving portfolio of ‘home grown’ arts and cultural events. The wide range of events offers a rich and diverse range of cultural experiences. These events offer audiences, both here and internationally, unique experiences of Wales as a nation which is authentic, creative and alive.
56. All of this has been achieved with the help of Welsh Government funding and is proof that, since the launch of our major events strategy in 2010, we have made big strides in building Wales’s position in the global events industry.
57. Working with public and private sector partners in Wales and the UK, we have built strong and effective relationships with international event owners and the international events community more widely, gaining their respect, trust and confidence in Wales’s event hosting capability. There is no doubt that, in a relatively short space of time, Wales has become a serious player in a fiercely competitive global market.

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58. Events showcase Wales's unique cultural heritage. They provide valuable opportunities for our leading artists and performers on the world stage. They help to promote Welsh food and produce, and they provide a high profile platform for promoting the Welsh language.

Creative Industries

59. We will establish Creative Wales to provide a more holistic service to the Creative Sector in Wales than is currently offered. We want to ensure the continued growth of the Creative industries sector in all of Wales, and ensure that a long term sustainable sector is created. To do this we need to provide a more joined up, 'bottom-up' offer for the Creative sector that will offer support encompassing the following 'pillars':

- Nurturing talent pathways & industry led skills support
- Access to capital (private & public)
- Infrastructure, networks and partnership working

Sport

60. Strategic priorities and key areas of activity are set out in our annual Remit Letter to Sport Wales.

61. Elite sport remains a key focus of Sport Wales' activities. Sport Wales' 2017-18 Business Plan provides some outcomes and performance measures to confirm the progress and objectives articulated by the new Elite Sport Strategy. For example working with national governing bodies of sport to identify athletes with medal winning potential at the forthcoming 2018 Commonwealth Games and ensure that bespoke performance plans are in place that reflect their individual medal winning requirements.

Facilities Review

62. Following the decision by Cabinet in July 2016 not to bid for 2026 Commonwealth Games, we announced a review of sports facilities in Wales with a view to increasing the spread of world class venues that would both benefit the local community and elite and performance athletes as well as increase the capacity of Wales to host major events in the future.

63. This work will support our national strategy "Prosperity for All" and our commitment to create the conditions that make it easier for people to be more active.

Wrexham FC

64. Earlier this year we instigated discussions between the relevant stakeholders to discuss any potential development of the Racecourse stadium. Apart from its rich footballing history, the stadium is capable of holding major events which could

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benefit the economy of not just Wrexham but the whole of the North Wales region. Discussions are still ongoing.

Special Olympics Wales

65. In August this year Special Olympics Wales sent a team to compete in the Special Olympics National Summer Games in Sheffield. The team competed in 11 different sports and won over 200 medals. We have provided £10k from the Welsh Government to support the team enabling people with a range of learning disabilities to compete in a large scale sporting event. The First Minister recently hosted a welcome home reception for competitors and support staff.

Gemau Cymru

66. Gemau Cymru is an annual bilingual, multi-sports event which provides an opportunity for talented, young athletes in Wales to compete in a high level national competition. We continue to provide financial support for this unique event.

Commonwealth Games, Goldcoast 2018

67. Through Sport Wales, we are providing a funding package to Commonwealth Games Wales to support Team Wales' attendance at the Commonwealth Games in Gold Coast, Australia next April.

Sports Facilities Capital Loan Scheme

68. Through the Sports Facilities Capital Loan Scheme, we have provided repayable funding totalling over £2.4 million to Wrexham, Conwy and Cardiff local authorities to upgrade their sport and leisure facilities.

National Botanic Garden of Wales

69. We continue to provide grant aid to support the Garden's activities. In 2017-18 a total of £581,000 in revenue funding together with £95,000 capital funding has been allocated.

Statutory Duties

Below I set out the Statutory Duties relevant to my portfolio.

Cultural Property Schemes

Acceptance in Lieu of Inheritance Tax and Cultural Gifts Scheme

70. The Acceptance in Lieu of Inheritance Tax and Cultural Gifts schemes are managed in Wales by officials. The scheme enables tax payers to transfer works of art and important heritage objects into public ownership while paying tax. The Cultural Gifts Scheme enables UK taxpayers to donate important works of art and other cultural objects for public benefit whilst receiving a tax reduction based on a set percentage of the value of the gift being made.

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Exemption from Inheritance Tax and Capital Gains Tax

71. Exemption from inheritance tax and capital gains tax is available for owners of outstanding heritage property subject to undertakings agreed with HMRC. The undertakings laid down include a requirement on the part of the owner to undertake reasonable steps to preserve the objects and provide public access to them. Specialist officials provide advice to HMRC on items exempt from inheritance tax and capital gains tax.

Public Libraries and Museums Act 1964

72. Local authorities in Wales are required to provide ‘a comprehensive and efficient library service’ under the Public Libraries and Museums Act 1964. As Cabinet Secretary for Economy and Infrastructure I have a duty ‘to superintend, and promote the improvement of, the public library service provided by local authorities’. The current mechanism for discharging this duty is through the Welsh Public Library Standards administered by officials.

Local Government (Wales) Act 1996 section 60

73. Section 60 requires each principal council to make and maintain a scheme setting out their arrangements for the proper care, preservation and management of their records, including historical material selected for preservation as archives, and the administrative records of the authority. Section 60 schemes are monitored by officials.

Public Records Act 1958

74. Archive services in Wales (local authority services, university and national institutions) are approved by The National Archive as places of deposit (PoD) to hold designated public records. In order to maintain their status as PoDs, archive services must meet the UK standard for Archive Service Accreditation. This scheme is administered in Wales by officials.

Historic Environment

75. Cadw carries out a number of statutory functions on behalf of Welsh Ministers with regard to the historic environment. The main functions are contained in the Ancient Monuments and Archaeological Areas Act 1979, the Planning (Listed Building and Conservation Areas) Act 1990 and the Historic Environment (Wales) Act 2016. The functions include:

- the designation and protection of historic assets
- the management and guardianship of and public access to nationally important sites – Cadw’s properties in care
- maintaining comprehensive records for the historic environment

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76. Cadw also undertakes a number of statutory planning functions where there may be an impact on the historic environment - for example, commenting on certain development proposals which affect scheduled monuments, registered historic parks, gardens and landscapes and the Outstanding Universal Value of World Heritage Sites and their settings.

Sport

77. The Sports Council for Wales, now trading as Sport Wales, was established under Royal Charter in 1972. As a public body, its primary role is to fulfil its statutory responsibilities set within the context of the Welsh Government's strategic aims. Its main purpose is to support, encourage and foster the knowledge and development of sport and physical recreation and the achievement of excellence among the public at large in Wales.

78. Its statutory objects are set out within the Royal Charter and its aims within the annual business plan.