



Eich cyf/Your ref
Ein cyf/Our ref DET/00018/18

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Ionawr 2018

Annwyl Rhodri

Thank you for your letter of 10 January 2018 regarding the National Library's plans to develop a National Broadcast Archive which will bring together, and provide access to, the archives of major broadcasters in Wales, including the BBC. I welcome the project and the ambition of the National Library to create this resource.

I understand the Library has already received Stage 1 development funding from the Heritage Lottery Fund, and is due to submit a Stage 2 funding bid and detailed business case in spring 2018. I note that you are seeking £1 million capital funding from the Welsh Government, to support your bid for £4.9 million investment from HLF. A substantial amount of match-funding and in-kind support will also be provided by the National Library, alongside a fundraising campaign to raise c.£0.5 million.

To enable me to consider this request formally, I would be grateful if the Library could provide the following details to my officials.

- The latest versions of the Library's Stage 2 funding bid and detailed business case for HLF
- Confirmation of what proportion of the BBC's archival material will be made available digitally to National Library and digital hub users

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- A copy of the completed condition survey for the BBC archive material and an estimation of the costs of any conservation work that might be required for the collection
- A justification of the proposal that the BBC will not provide any ongoing support or revenue funding for the management and maintenance of the archive
- Details of any formal MoUs or partnership agreements with proposed digital hub venues, a summary of what users will be offered and able to access at each hub location, and any estimations of expected levels of use
- An update on the Library's progress with fundraising activity for this project, and confirmation of any funds (from non-National Library sources) which have been secured.

Although you state in your letter that no additional revenue funding will be required from the Welsh Government following the end of project funding, I am concerned about the ongoing financial and staffing commitments which will be incurred by the Library. Once accepted the collections will need to be preserved and maintained in perpetuity and this will inevitably have an impact on the future allocation of resources and activities by the Library.

I would be grateful if you could provide a clear breakdown of the ongoing revenue costs relating to the Broadcast Archive. This should include the costs for maintaining and staffing the digital hubs; digitising for access and/or preservation purposes, cataloguing, and providing metadata to enable online search and discovery; storage and collections care requirements.

I would like to be clear on the impact this commitment will have on existing Library activities and how, for example, the withdrawal of any services as a consequence of the development of the National Broadcast Archive will be managed.

I look forward to receiving a detailed briefing from my officials, and finding out more about the Library's plans for this work once you have provided this information.

Yn gywir,

7 line gap starts here

Yr Arglwydd Elis-Thomas AC/AM

Y Gweinidog Diwylliant, Twristiaeth a Chwaraeon

Minister for Culture, Tourism and Sport



Ein cyf/Our ref: DET/00574/18

Rhodri Glyn Thomas
President
National Library of Wales
Penglais
Aberystwyth
SY23 3BU

19 July 2018

Dear Rhodri

Thank you for your letter of 5 June and the information you supplied on the Broadcast Archive Project. I would like to re-iterate my support for the ambition of the National Library to make the BBC Wales archive publicly available. I am fully aware that making this archive collection accessible would greatly enhance the resources already available to researchers at the National Library. It would also provide the Library with a great opportunity to engage with new audiences.

My officials have now had the opportunity to review this additional information in some detail. On this basis, I have to tell you that I am not at the moment able to commit the funds that you have requested as match funding for the Heritage Lottery Fund bid. In fact, I have serious reservations about the advisability of the Library submitting a bid to the Heritage Lottery Fund for this project in the immediate future. I am very concerned that if the current bid was successful, in the longer term it would expose both the Library, and the Welsh Government as the Library's main funder, to a level of financial risk which I do not believe is justifiable or acceptable.

In my view, the current bid needs to be thoroughly reviewed and, where necessary, reshaped with financial considerations, risk, and sustainability considered alongside the plans for access and engagement.

I understand this means the Library will be unable to meet the current planned submission date to the Heritage Lottery Fund. However, with a project of this significance I am sure you will agree it is crucial that it starts from a sound and solid basis. This requires much greater assurance that the potential benefits of the project, of which I am fully conscious, are not outweighed by the risks.

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I am sure you will wish to consider this letter, and discuss the contents with the Librarian. When you have had the opportunity to do this, Linda Tomos is welcome to arrange a meeting with my officials in MALD to discuss this matter further. I hope it will then be possible for the Library to move this project forward positively.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Elis-Thomas'.

Yr Arglwydd Elis-Thomas AC/AM
Y Gweinidog Diwylliant, Twristiaeth a Chwaraeon
Minister for Culture, Tourism and Sport

Translation of letter to Rhodri Glyn Thomas

President

National Library of Wales

13/08/2018

National Broadcast Archive

Annwyl Rhodri

I am writing to you further to my letter of 19 July regarding the National Broadcast Archive (NBA).

As I am sure you are aware, my officials have met with the Librarian and senior staff to discuss the project. My officials also requested further information, including a detailed analysis of the financial impact on the National Library of the National Broadcast Archive from 2024. All of this information has been carefully reviewed.

On this basis, I have to tell you that I am not able to commit the £1 million capital funding you have requested as match funding for the Heritage Lottery Fund bid. I reiterate the point I made in my previous letter, which is that in the longer term I believe the Broadcast Archive as currently envisaged could expose both the National Library, and the Welsh Government as the Library's main funder, to an unacceptable level of financial risk.

I wish to emphasise that I am supportive of the principle of the development of a National Broadcast Archive for Wales, nevertheless my view that the current proposal needs to be thoroughly reviewed and, where necessary, reshaped with financial considerations, risk, and sustainability considered alongside the plans for access and engagement is unchanged.

I am concerned about the condition of the collection. I understand that the Archive is currently stored in conditions which have, in the main, been unsuitable for the long-term conservation of a major national archive; and that the BBC has not undertaken any remedial or preservation activity on the archive prior to digitisation due to time and budgetary constraints - although there is evidence of deterioration in elements of the collection. While the HLF funding will provide the collection with an appropriate storage facility, it appears that the work required to preserve the collection, including any remedial work required in the future, will be the responsibility of the National Library, without any funding commitment from the BBC. These costs could be considerable.

I would also like further consideration to be given to the access arrangements and the viability and sustainability of the Clip Centres. We know that users have an increasing expectation of being able to access information at a time and place which is convenient to them. Could consideration be given to developing a model based

around on-line access, rather than one which is based on access at a limited number of physical sites? I think this aspect of the project needs further consideration.

I remain very concerned about the impact which this project would have on the future financial stability of the Library when the funding support from the Heritage Lottery Fund would come to an end in 2023. The projections supplied indicate that based on existing activity, and assumptions of flat line revenue grant-in-aid funding, and pay bill increases of 1% per annum, revenue reserves will go into deficit by the end of the 2019-20 financial year (by £19k), and this deficit will increase to £3.242m by the end of the 2023-24 financial year. The annual projected deficit in 2023-24 is £0.986m. The revenue costs of the National Broadcast Archive from 1 January 2024, when the project would come to an end, are estimated at £0.408m per annum, which would be in addition to the annual deficit figure of £0.986m.

I know that this is not the response that you were hoping for from me but I regret that I cannot support your bid in its current form for the reasons outline above.

Yours sincerely



Ein cyf/Our ref: MA-P/DET/4056/18

Rhodri Glyn Thomas
President
National Library for Wales

20 November 2018

Annwyl Rhodri

National Broadcast Archive

I am grateful to the Library for the additional documents that were provided to my officials on 12 November regarding the National Broadcast Archive.

I understand that the Board of Trustees will be discussing and taking the final decision on whether or not to submit the application to establish the National Broadcast Archive to the Heritage Lottery Fund on 23 November. I am writing to you now so that you, the Trustees, and the National Librarian are clear on my views regarding this matter and so that this letter can be circulated to Board members prior to the meeting.

My position on the National Broadcast Archive is unchanged. Based on the project design and the financial projections, I remain unwilling to commit the £1 million capital funding requested, or to provide strategic support for the National Broadcast Archive in its current form.

I stated in my letter of 13 August that in my view the project required a thorough review and reshaping, and steps taken to ensure that the National Broadcast Archive would not risk the financial stability of the National Library in the future. Such a review has not been undertaken. I am aware that efforts have been made to address the longer term sustainability of the National Broadcast Archive through discussions with BBC Cymru Wales and with the other project partners. I am disappointed that this and other work on forward financial planning has been carried out so late in the process.

Based on the information you have provided, it is clear that during the period of the HLF funded work, some existing activities of the Library are likely to be affected negatively. It is not apparent to me that sufficient consideration has been given to managing established activities while the National Broadcast Archive is being developed. Furthermore, I am not reassured by the information that has been provided on the longer term sustainability of the National Broadcast Archive. I appreciate that there is good will towards the project from both BBC Cymru Wales and the CLIP Centre partners but, I remain concerned about the project methodology and the impact the National Broadcast Archive will have on the financial position and activities of the Library when the Heritage Lottery Funding ends.

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I have always welcomed the ambition of the Library to provide access to the BBC Cymru Archive and to establish the National Broadcast Archive but, this must be managed in the overall context of the Library's financial position and other roles and functions. The Library must continue to deliver its core functions, particularly that of the sole Legal Deposit Library in Wales. It is my wish to see the Library develop and to provide access to new collections using innovative methods of delivery. However, proposals for major developments such as the creation of a National Broadcast Archive must in future be more carefully planned and managed.

Yours sincerely

A handwritten signature in black ink, appearing to read 'I. Elis-Thomas'.

Yr Arglwydd Elis-Thomas AC/AM
Y Gweinidog Diwylliant, Twristiaeth a Chwaraeon
Minister for Culture, Tourism and Sport

Culture, Welsh Language and Communications Committee

Thursday, 10 January 2019 09.00

National Broadcast Archive

1. The Committee is already aware that the Welsh Government has consistently expressed support for the ambition of the National Library to establish a National Broadcast Archive (NBA). As Deputy Minister for Culture however, it is my responsibility to ensure this major development is supported by robust business and financial planning so that from 2024, when the funding requested from the Heritage Lottery Fund to establish the NBA is due to cease, the NBA can be incorporated into the day to day activities of the National Library.
2. The NBA must be planned and established, and then maintained from 2024 onwards without having a detrimental impact on the existing functions and financial position of the National Library. It would be irresponsible not to ensure that the risks associated with such a significant development have been identified. It is reasonable to expect the National Library to have made plans to mitigate and manage these risks in what will still be a testing financial climate, and for these plans to have been scrutinised and agreed by the Board of Trustees, and communicated to the Welsh Government as the Library's main funder.
3. Ultimately, the National Library must have a credible exit strategy and forward financial plan which provides sufficient assurance that the NBA will be sustainable when the project funding ceases.
4. I have been in correspondence with the President of the National Library on this issue for the last twelve months, and copies of my correspondence are appended for your information.
5. The President of the National Library initially wrote to me requesting a £1 million contribution to the project on 31 January 2018; and with regard to the on-going maintenance of the NBA after 2023. His letter stated that *'The Library is planning*

to meet these costs from within its own resources and does not envisage that additional revenue funding will be required from the Welsh Government'.

6. In my reply of 31 January, I requested a clear breakdown of the on-going revenue costs relating to the Broadcast Archive, and clarity on the impact this commitment would have on existing library activities. I raised the issue of the maintenance of the BBC Cymru Wales Archive and the proposed Clip centres (then referred to as digital hubs) specifically, as these are the aspects of the project associated with the majority of the revenue costs from 2024. It is important to understand that the BBC Cymru Wales archive has already been digitised. Public access will be provided via the digital archive and there will be no public access to the physical collection.
7. Over 4 months later, on 5 June, the response from the President indicated that the projected on-going revenue costs of the NBA from 2024 would be in the region of £450k per annum.
8. **The Library is already projecting an annual deficit of £986k at that time and this cost would be in addition to that amount.** Adding an additional financial burden to that is not something which can be done lightly, and it was not clear that a plan was being developed to manage the additional cost of the NBA, or what the impact of integrating the NBA would be.
9. On this basis, I therefore responded on 19 July declining to offer support for the project in its current form and requesting a review of the project proposal to take into account financial considerations, risk, and sustainability alongside the plans for access and engagement.
10. My officials met with the BBC in September, and expressed our concern that the BBC was not making an ongoing financial contribution to the project when the HLF funding came to an end.
11. Following further correspondence over the summer, I wrote to the President on 20 November declining to provide support for the NBA due to my concern that the

project could still add significantly to the risks regarding the sustainability of the National Library. On 23 November, the Board of Trustees of the National Library decided not to go ahead and submit the application to the Heritage Lottery Fund to meet the 4 December deadline.

12. There should have been a greater emphasis on the financial and longer term planning at a much earlier stage of the project development, but discussions are on-going between the National Library and the project partners, and the Heritage Lottery Fund has indicated that it can allow some additional time to enable a bid to be submitted.
13. The **latest proposals** received from the National Library indicate that it can contain the **additional revenue costs** from 2024-25 onwards to **£256k** per annum. The BBC has now offered an amount of £20k per annum for a three year period from 2024, therefore the net additional costs are £236k per annum. The Library is now in the process of considering how it can reduce its expenditure in order to fund these additional costs. However it does not yet have plans that are sufficiently developed to identify the specific areas. These will be examined during 2019.
14. If the Library fails to achieve the cost savings, it would mean that the Library may need to approach the Welsh Government to finance the £236K running costs, or a proportion of it depending on the level of savings that have been achieved. Alternatively, the Library could reduce the project to a minimal level at an estimated cost of £100k per annum.
15. The cost of storing the physical broadcast archive (from which digital copies to provide access have been created) represents £55k of this cost. As set out above, BBC Cymru Wales has indicated that it will contribute £20k per annum towards maintenance of the archive for a period of three years from 2024 onwards.
16. The BBC will also provide an in-kind contribution of £40k per annum over the same period to assist with the clearance of contributor rights, which I hope will

allow the amount of content available on-line to be increased incrementally from the 1,000 clips which will be made available on the Library's web site during the project.

17. The National Librarian has requested a meeting with my officials in January including the BBC, and I would like further discussion to take place to examine any additional support BBC Cymru Wales may be able to provide.

18. The National Library is also in discussion with the Clip Centre partners regarding the future of these facilities from 2024. The Heritage Lottery Fund has indicated that it would be content for a review to be undertaken, prior to the time when the project funding is due to end. The review would evaluate the impact and effectiveness of the Clip Centres, based on the experience gained during the project, and inform the development of a future delivery model and funding arrangement, if the centres are proved to have been successful. The Clip Centre partners have indicated that in principle they are willing to consider a partnership funding arrangement with the National Library from 2024.

19. As these discussions progress, I have asked my officials to provide me with further advice. I am due to meet with the President and National Librarian in February when they will have the opportunity to present the outcome of the current work to address the sustainability of the NBA.