

Ken Skates AC/AM

**Ysgrifennydd y Cabinet dros yr Economi a'r Seilwaith
Cabinet Secretary for Economy and Infrastructure**



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA-P-KS/0462/17

Elisabeth Elias
President
Amgueddfa Cymru – National Museum Wales
Cathays Park
Cardiff - CF10 3NP

03 March 2017

Dear Elisabeth

Amgueddfa Cymru – National Museum Wales Remit Letter 2017-18

This letter sets out our joint mission and purpose for 2017-18 grant-in-aid funding to Amgueddfa Cymru - National Museum Wales.

Looking back on 2016-17, I would like to congratulate you on involving over 1,000 volunteers to successfully build and open the Bryn Eryr Iron Age Farmstead, as part of the wider Redevelopment Project at St Fagans: National History Museum. I recognise Amgueddfa Cymru's proactive support for the *Fusion: creating opportunities through culture* programme, particularly the important role your organisation has taken in co-ordinating research and evaluation. I am also pleased that Amgueddfa Cymru has offered a range of attractive thematic activities to support national initiatives and celebrations, including the *Treasures* and *Wriggle* exhibitions (supporting the Year of Adventure); the Mametz Wood exhibition (part of the *Cymru'n Cofio Wales Remembers 1914-1918* First World War commemoration programme) and the Quentin Blake exhibition (part of the Roald Dahl commemorations).

Looking forward to 2017-18, this letter highlights the priorities I would ask Amgueddfa Cymru to embrace to ensure your organisation continues to deliver important cultural functions for the people of Wales in a sustainable way.

I expect Amgueddfa Cymru's aims to align with Welsh Government policies for the purposes of the grant-in-aid funding. However, I do recognise and respect the charitable and Royal Charter status of Amgueddfa Cymru and the need to act independently on a day-to-day basis and to draw up your own detailed policies and business plans. I also recognise that Amgueddfa Cymru provides services that benefit the museum sector in Wales as a whole. I expect us to have a relationship based on mutual trust and respect and open and honest communication. In practical terms my officials will provide Amgueddfa Cymru with support and guidance from the Welsh Government.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

In the context of a reduced overall Welsh Government budget, and competing demands for funding from vital public services, it is more important than ever that we are able to evidence the public value achieved with funding provided to Amgueddfa Cymru. Our national institutions need to continue to respond to the challenges set by the Wellbeing of Future Generations (Wales) Act and to deliver high quality and efficient services that benefit people from all parts of Wales, and from all backgrounds. As specified in the Future Generations Act, you will need to evidence Amgueddfa Cymru's contribution towards the national wellbeing goals and relevant indicators.

Both the Welsh Government and Amgueddfa Cymru are accountable for ensuring that public money invested in Amgueddfa Cymru is used appropriately and to best effect. Being able to effectively measure the impact, value and efficiency of Amgueddfa Cymru means targets must be set, data gathered and research carried out. I ask you to provide clear and regular evidence of how Amgueddfa Cymru is performing towards our agreed objectives and targets.

I look forward to discussing the targets in your Operational Plan and how you will measure and report on these on a regular basis; not only to my officials, but also to Amgueddfa Cymru's users and stakeholders. **Please provide a draft Operational Plan to my officials by 10 March.** Grant funding can only be released where I am satisfied that public funds will be managed correctly and objectives met cost effectively. Once the Operational Plan is agreed, I will be in a position to release funding to Amgueddfa Cymru for 2017-18.

Recognising Amgueddfa Cymru's ambitions, the challenges faced in recent times, and your request for support, I have asked Dr Simon Thurley to conduct a review of your operations and finances.. I look forward to meeting you in due course to discuss Dr Thurley's findings and how they will be taken forward.

The priorities I want to see acted upon in the year ahead (using the grant-in-aid funding provided by the Welsh Government) are set out below:

Making a difference to Wales

For the people of Wales to benefit from museums they need to be very aware of the rich cultural heritage our national museum offers and to take advantage of this. Performance measures should include:

- increased visitor numbers with a breakdown to include organised formal learning visits and numbers engaged in informal learning activities, on and off site
- media coverage achieved by Amgueddfa Cymru

Valued museums

Amgueddfa Cymru is responsible for the care and development of our National collection and in making that rich resource available to a wide audience. Reaching and exceeding related sector standards is key to demonstrating that Amgueddfa Cymru is succeeding in this area. Developing a range of partnerships that adds value to collection related activity is an important element of Amgueddfa Cymru's role as a leader in the sector.

Priorities should include:

- maintaining Museum Accreditation

- developing a road map, in collaboration with MALD, which will enable Amgueddfa Cymru to apply for Archive Accreditation
- partnership working with other museums in Wales, the wider UK and internationally, including working with the sector in Wales on collection related issues
- contributing to the implementation of the 2015 Expert Review of Museums

Visitor experience

People's enjoyment and fulfilment from museum visits requires facilities that are attractive and engaging. I would expect your Operational Plan to include objectives to:

- increase the overall number of visits to 1.8 million
- monitor and maintain high levels of visitor satisfaction
- continue to develop visitor facilities and enhance visitor experiences (e.g. the soft opening of new visitor facilities and buildings at St Fagans)

Key to any good customer experience is inviting entry points to facilities and friendly and helpful front of house staff. I note that Amgueddfa Cymru is developing corporate standards for customer care and a Visitor Experience Strategy to strengthen its continuous improvement in customer services and enhance the visitor experience.

Participation and inclusion

Museums have the ability to help people from all backgrounds to participate in and benefit from cultural life in Wales.

Measures of success should include:

- increased activity by people from diverse and disadvantaged backgrounds through programmes such as Fusion
- increased recruitment of staff from diverse backgrounds
- increased numbers of volunteers and time contributed by volunteers from diverse and disadvantaged backgrounds

To achieve these objectives I would expect Amgueddfa Cymru to:

- continue to implement its' Community Engagement Plan, including collaboration with the Fusion programme
- continue to implement its' Volunteer Action Plan and Volunteer Learning Plan, which set out how Amgueddfa Cymru will achieve its' volunteering targets and provide effective training for volunteers
- develop proposals for recruiting apprentices from disadvantaged backgrounds through the Fusion programme and actively support the skills agenda for people experiencing disadvantage

I will of course expect that Amgueddfa Cymru continues to ensure that the contribution made by volunteers adds value to existing paid positions, and is not used to fill staff vacancies in the organisation.

Outward facing museums

Wales' special and distinctive museums need to be visible to the rest of the UK and the wider world. Your Operational Plan should include an objective to support cultural tourism in Wales through exhibitions, events and promotional activities which will contribute to the Year of Legends 2017 and Year of the Sea 2018, through which you should aim to continue increasing the numbers of visitors from outside Wales.

Measure of progress will include:

- increased number of visitors at events and exhibitions
- analysis of the impact of key exhibitions, events and activities

Digital museums

Digital technology is revolutionising the way people create and consume culture. Museums will be stronger where they embrace this technology effectively.

Measures will include:

- the number of social media followers
- the number of unique visits to Amgueddfa Cymru websites

Specifically I would expect your Operational Plan to include:

- contributing to delivering the People's Collection Wales action plan for 2017-18
- plans to enhance the visitor experience using digital technology such as digital interactivity in galleries and at the museum sites

Sustainable museums

UK Government austerity has stretched heritage sector budgets over the last few years, and pressures are likely to increase in the future. To ensure that Amgueddfa Cymru remains financially viable and can continually improve services, I would expect Welsh Government grant-in-aid funding to continue to be supplemented by significantly increasing levels of funding attracted from other sources.

Objectives will include:

- increasing funding as part of wider collaborative projects with other partners (e.g. partners in the cultural heritage sector, and higher education)
- higher levels of fund-raising (charitable giving)
- increased level of new added activities and commercial opportunities that generate income

I would expect your Operational Plan to include targets for increased funding. The 2017-18 income generation target for Amgueddfa Cymru will be set at 9% higher than that achieved in 2016-17.

In particular I urge you to implement an ongoing programme of attractive exhibitions and events aiming to attract large numbers of visitors and offer opportunities to raise commercial income.

Collaboration

Our national cultural heritage institutions, including Amgueddfa Cymru, are stronger when they work together. I would expect to see joint-working objectives in your operational plan including:

- supporting research and formal learning through partnerships with higher and further education bodies
- strategic collaboration and partnerships within the cultural heritage sector, with other national institutions and with non-national museums in Wales, as well as the health, education and tourism sectors
- activities supporting specific initiatives, including the *Cymru'n Cofio Wales Remembers 1914 – 1918* First World War commemoration programme and *Fusion: creating opportunities through culture*

- playing a role, in partnership with the Welsh Government, in the feasibility studies for proposed new national museums

Workforce development

The skills, passion and expertise of people working in Amgueddfa Cymru can bring our heritage to life just as much as our physical cultural assets. It is clearly important for Amgueddfa Cymru to have a workforce that is respected and motivated at all levels. This is an area where there have been problems in recent times and, as the main funder of Amgueddfa Cymru, it is only right that we work with you to address issues.

Specifically I would expect Amgueddfa Cymru to:

- work towards harmonising your key human resources policies with those of the Welsh Government, in consultation with your recognised trade unions
- make an initial assessment of the terms and conditions and pay of Amgueddfa Cymru staff and the implications of bringing those into line with the Welsh Government
- continue to improve the relationship between the Board of Trustees, management staff and union representatives, and ensure that a formal agreement is in place between Amgueddfa Cymru and unions which sets out the principles for partnership working and procedures for negotiation, consultation and communication
- ensure that Amgueddfa Cymru follows best practice guidance for public sector employers in Wales concerning the use of zero hours contracts
- ensure that staff at all levels receive appropriate training to provide high quality services, and any key skills gaps (including specialist skills) are identified and addressed strategically (in consultation with your recognised trade unions) in your workforce development planning

Underpinning changes to policies, staff surveys are essential to measuring staff morale and management effectiveness. I would expect that such surveys are carried out regularly and findings acted upon to achieve measurable improvements in staff satisfaction and morale. I ask you to keep my officials informed of the results and trends analysis from your staff surveys, and to seek advice if this would be useful.

Thank you for Amgueddfa Cymru's contribution to the work of the Historic Wales Steering Group. I will publish my response to the Group's report in due course. I look forward to working with Amgueddfa Cymru as we progress this important agenda.

Yours sincerely



Ken Skates AC/AM

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Cabinet Secretary for Economy and Infrastructure

Annex 1

Financial support:

The Welsh Government will provide the following Grant-in-Aid funding to Amgueddfa Cymru in 2017-18 to deliver the priorities outlined in this letter:

Revenue	Plans 2017-18 £
Baseline running costs (net)	20,849,000
Additional revenue funding for pay settlement (baseline adjustment)	261,000
Additional revenue funding for 2017-18 (3.5%)	730,000
Total Revenue	21,840,000

Non Cash	Plans 2017-18 £
Depreciation*	1,120,000

**Depreciation is a non-cash item and is not available for drawdown in the course of the year*

Capital	Plans 2017-18 £
Specimen Purchase Grant	269,000
Capital Maintenance	4,989,000
Total	5,258,000

Total Grant-in-Aid 2017-18	£28,218,000
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Invest to Save scheme funding	Plans 2017-18 £
Invest to Save: VERS (revenue)	£300,000
Invest to Save: Energy Efficiency Project	£65,000

(revenue)	
Invest to Save: Income Generation Project (revenue)	£169,000
Invest to Save: Income Generation Project (capital)	£425,000

Additional non Grant-in-Aid funding which has already been earmarked to support specific activities:

	Plans 2017-18 £
People's Collection Wales programme	TBC
First World War Commemoration activities (revenue)	£60,000
Fusion: Creating opportunities through culture (revenue)	TBC

Terms and Conditions of Grant-in-Aid funding:

Amgueddfa Cymru's funding agreement with the Welsh Government (the Framework document) sets out the details of the sponsorship relationship and the terms and conditions under which the Welsh Government provides grant-in-aid funding to Amgueddfa Cymru under Section 61 of the Government of Wales Act.

The Framework document also sets out various operational requirements and refers to government guidance and policies with which Amgueddfa Cymru needs to comply, in addition to its own duties and responsibilities as a Charter body, Registered Charity, and public institution in Wales. As stated in the Framework Document, the Welsh Government's Museums, Archives and Libraries Division (MALD) is the sponsor division for Amgueddfa Cymru, and monitors Amgueddfa Cymru's progress against key targets and milestones, progress and expenditure on funded projects, through quarterly meetings.

People's Collection Wales digital heritage programme:

Amgueddfa Cymru receives a funding allocation from the total People's Collection Wales budget, as one of the lead delivery partners for this programme. Exact funding allocations for future years are agreed between the lead partners on an annual basis. Lead partner allocations may vary between financial years, depending on the needs and priorities of the programme.

Payment of grant is subject to compliance with Amgueddfa Cymru's Framework Document.