



Via Email

20 October 2020

Dear Mark

Amgueddfa Cymru and Llyfrgell Genedlaethol Cymru

We are writing as officials for the three recognised unions at both Amgueddfa Cymru (AC) and Llyfrgell Genedlaethol Cymru (LIGC). More than a decade of sustained reductions in Grant-in-Aid (GIA) has left both AC and LIGC with significant deficits. The annual deficits of both institutions are structural and - given the low reserves available - threaten the financial viability of AC and LIGC.

The Senedd's Culture, Welsh Language and Communications Committee report on the impact of COVID-19 on heritage, museums and archives in Wales recognised how the pandemic has exacerbated the existing perilous financial positions of both organisations.

In particular, three COVID-19 related factors have amplified the financial pressures:

1. In-year claw backs of 2020 grant-in-aid: **£440,000** for AC and **£200,000** for LIGC.
2. A drastic loss of visitor revenue - currently estimated at **£1.8 million** for AC and **£600,000** for LIGC
3. Both organisations have incurred additional unplanned costs of providing equipment for people to work at home and on preparing sites for opening: **£75,000** for LIGC, and a combined total of **£250,000** for AC's seven sites.

Without additional GIA funding, it is difficult to see how AC and LIGC can continue work on vital capital maintenance projects. The combined total cost of capital maintenance for AC alone now exceeds **£80 million**, of which around a fifth is essential and urgent.

The financial pressures also threaten the ability of AC and LIGC to digitise content and thus improve the accessibility of national collections to citizens across Wales.



The Tailored Review of LIGC, commissioned by the Welsh Government, recognises that the current funding model is not sustainable. Indeed, as things stand, the scale of LIGC's deficit puts at risk up to **30 jobs** or **13%** of the workforce.

It is difficult to assess the value of AC and LIGC in economic terms, however AC's 2018/19 Operational Plan calculated that every £1 invested in it by the Welsh Government generates £4 of additional expenditure in Wales. **That contributes £83 million of Gross Value Added (GVA) to the Welsh economy** - the highest GVA of any publicly funded cultural institution in Wales. Both institutions are part of the fabric of the cultural history of Wales and must be protected for future generations.

A one-off injection of cash, while welcome, will not address the long term problems caused by structural deficits.

That is why we are asking that your 2021 election manifesto include a commitment to redress more than a decade of cuts to GIA by introducing a new, and sustainable, funding model. A funding model based on a substantial increase in GIA to allow both institutions to thrive and secure their long term futures. A funding model to support Welsh culture and protect Welsh jobs.

We would like to discuss this matter with you. Grateful if someone from your office could please contact Gareth Hills to arrange a meeting with yourself and all three unions.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G Hills'.

Gareth Hills

FDA Wales National Officer

A handwritten signature in black ink, appearing to read 'SD Wiblin'.

Sian Wiblin

PCS Wales Officer

A handwritten signature in black ink, appearing to read 'D. Maney'.

Daniel Maney

Prospect Wales Officer