



Dr Phil George
Chair
Arts Council of Wales
Bute Place
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March 2020

Dear Phil

I would like to start by congratulating you on another successful year for the Arts Council of Wales in 2019-20. Your achievements, included:

- The successful conclusion of the first five-year phase of the Creative Learning partnership between the Arts Council and the Welsh Government. During the course of the programme we note that you have engaged with 1,150 (76.8%) schools across Wales and approximately 117,000 pupils
- The continuing growth in numbers for the 'Hynt' ticketing scheme to 16,000, enabling even more disabled people to enjoy the arts
- The Night Out scheme's success in taking over 530 high-quality performances in the year to small communities across Wales
- Your success in building skills and capacity within Health Boards through the appoint of Arts and Health Co-ordinator posts
- Your strong programme of international activity including your presence at the Venice Biennale, the Lorient Festival, the Wales cultural programme at the Japan Rugby World Cup and Wales events in Dublin as part of the St David's Day celebrations.

I also commend the successes of the many organisations you supported during the past year, which have included:

- The Sherman Theatre's ground-breaking Sherman 5 engagement programme
- The award-winning Theatr Clwyd
- The involvement of Ty Pawb in promoting Sean Edwards at the Venice Biennale
- Cwmni'r Fran Wen's challenging production of the iconic "Llyfr Glas Nebo"
- Welsh National Opera's highly popular community tour of "Don Pasquale"
- The insightful and thought-provoking "Swansea Stories" at the Glynn Vivian Art Gallery
- Writer Ed Thomas' return to the stage with National Theatre Wales' production of "On Bear Ridge"
- Ffolio, the new partnership training and skills programme managed by Ffilm Cymru Wales on behalf of the Arts Council and BBC Cymru Wales

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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.

I look forward to work of this kind continuing, during the year to come and beyond.

Last year we sent you a Remit Letter that was a Term of Government remit for two years. With that in mind, I would like you to consider this letter as an update to carry forward until the end of the current Term of Government in 2021.

In addition we also notify you in writing that we are allowing you to carry over your entire £1.1m underspend for the specific purpose of COVID-19 emergency support and for that express purpose only, that it must be used in its entirety during 2020/21 and that it must be accounted for separately to us, showing how it has been spent.

I respect your charitable and Royal Charter status, and the need for the Arts Council of Wales to act independently on a day-to-day basis and in the individual funding decisions that Council takes. However, as a Welsh Government Sponsored Body, the Arts Council's aims should reflect Welsh Government policies. This letter sets out a number of priorities that I would like you to consider when preparing your Operational Plan for 2020-21 and in subsequent years.

Priorities

In addition to its core work, as laid out in its Charter, my priority areas for you in the next few years are set out in Annex 1. Annex 2 confirms the level of Grant-in-Aid funding that the Welsh Government will provide to you in 2020-21.

The strategic context for our work in the year ahead is similar to 2019-20. Relevant Government strategies including 'Prosperity for All', 'Light springs through the dark', the Well-being of Future Generations (Wales) Act and our Economic Action Plan – all set out a clear framework for working that should be integrated into your Operational Plan.

We will develop our Cultural Priorities during 2020 and of course the Arts Council of Wales will feed directly into that as indeed you already are.

A key piece of work during the year will be your Investment Review 2020. I note that Investment Review decisions will be informed by the priorities in your corporate plan, 'For the Benefit of All'. I endorse your ambition to see the publicly funded arts reaching a wider and more diverse cross-section of the people of Wales.

These themes should be reflected within your draft Operational Plan, which the Welsh Government should receive from you as soon as possible, in order for the relevant goals, targets and performance indicators within the plan to be approved.

I believe that we have successfully established a positive relationship based on mutual trust and respect, and open and honest communication. I look forward to this continuing and to learning more from your Operational Plan about your work in the years ahead.

Yours sincerely,

Yr Arglwydd Elis-Thomas AC/AM

Y Dirprwy Weinidog Diwylliant, Chwaraeon a Thwristiaeth
Deputy Minister for Culture, Sport and Tourism

Annex 1: Key Deliverables

1. United and Connected

“Our aim is to build a nation where people take pride in their communities, in the Welsh identity and language, and our place in the world.”

Our cultural institutions have the ability to help and empower people from all backgrounds to participate in cultural life, and to support the creation of cohesive communities. I would like the Arts Council to:

- Continue to ensure that our investment enables even more people to actively participate in the arts, and tackle the barriers that inhibit this.
- Continue to support open access to cultural opportunities for young people.
- Continue to encourage and grow the arts sector’s involvement in ‘*Fusion*’ *Creating opportunities through culture*, and if possible, support us to enhance the scale and reach of this programme.
- Encourage local authorities to maintain their support for local arts services, projects and venues, and for national initiatives like the national youth ensembles.
- Continue to develop and promote the arts in and through the Welsh language.
- Promote the role of the arts in supporting place-based regeneration, including opportunities to support major projects such as the Cardiff Capital and Swansea Bay city regions.

The Arts Council has a key role in helping Wales to become a more creatively active nation, by providing access to cultural opportunities for people from all backgrounds. I would like you to:

- Encourage and increase participation in arts activities from the broadest range of diverse audiences, and encourage arts organisations to increase the level of engagement in their work by minority communities and by disadvantaged groups.
- Support the ongoing feasibility work into the creation of a National Gallery for Contemporary Art.

The Arts Council also has an important role to play in showcasing our vibrant culture and language to an **international** audience, and in helping the arts sector to develop new markets. I would like you to:

- Work with arts and international relations officials to support delivery of the Welsh Government strategy for International Engagement, in particular on ways in which the arts sector can help to promote Wales, and exploit economic opportunities overseas.
- Maintain and develop your existing international links, including those within the EU and around the globe; helping us to ensure that Wales is properly represented in relevant UK-wide cultural initiatives overseas.

2. Ambitious and Learning

“Our aim is to instil in everyone a passion to learn throughout their lives”

Cultural institutions can widen people’s horizons and lift their aspirations, offering both formal and informal learning opportunities. You have an important role in supporting young people to make the most of their potential and to encourage ‘learning for life’. I would like you to:

- Support young people to make the most of their potential and encourage learning for life, by continuing to lead the successful *Creative Learning through the Arts* initiative, and by helping to develop the new Curriculum for Wales, in particular the ‘Expressive Arts’ Area of Learning and Experience (AoLE).

Prosperous and Secure

“Our aim is a Welsh economy which delivers individual and national prosperity while spreading opportunity and tackling inequality...”

The arts have a significant role to play in supporting people and businesses to drive prosperity. Therefore I would encourage you to work with other organisations, including Careers Wales and the newly formed Creative Wales to improve career pathways and address specialist skills requirements within the arts sector. I would like you to:

- Abide by the principles within our *Economic Contract*, of inclusive growth, fair work, health and skills in the workplace and the management of carbon footprints. The Economic Contract forms part of our Economic Action Plan, and is an important means through which we will deliver public investment with a social purpose.
- Collaborate with relevant partners to promote the careers available in the arts, and to develop more apprenticeships, traineeships and mentoring opportunities.
- Continue to develop ‘Resilience’ and other tailored advice services, to help your revenue clients, and if possible others, to improve their business and marketing skills, and good practice in governance.
- Continue work to increase funding from external sources to reduce the arts sector’s reliance on public subsidy, including Welsh Government Grant-in-Aid. As part of this, work with Welsh Government officials and other partners to implement the recommendations within the National Assembly’s Inquiry report on ‘*Non-public funding of the arts*’.

Healthy and Active

“Our aim is to improve health and wellbeing in Wales, for individuals, families and communities... and to shift our approach from wellbeing to prevention”.

The arts sector can support wider efforts to create the right conditions for better health, well-being and greater physical activity and increase social inclusion by offering opportunities for older people and people with physical and mental health conditions to engage in cultural activities. I would like you to:

- Continue to work in partnership with Welsh Government, Public Health Wales, the NHS Confederation and the arts sector to (i) improve the evidence base for ‘arts in health’

interventions, and (ii) scale-up those interventions that are proven to be effective in improving people's health and wellbeing.

- Contribute towards the cross-cutting priority of 'better mental health' by supporting Welsh Government and Health Boards with social prescribing and other relevant initiatives.

Annex 2: Financial support

The Welsh Government will provide the following Grant-in-Aid funding to the Arts Council of Wales in 2020-21 to deliver the priorities outlined in this letter. Planned figures are also provided for 2020-21(Capital only). Funding levels for future years will be confirmed during the Welsh Government's usual annual Budget process.

Expenditure

THE ARTS COUNCIL	Budget 2020-21 £'000
Revenue - Current Expenditure / Running Costs	31,923
Non Cash - Depreciation*	119
Arts Council/WMC**	355
Additional Capital Expenditure***	400
COVID-19 emergency support****	1.1m
Total	33,897

The breakdown between expenditure and running costs is to be confirmed.

* *This is a non cash item and is not available for draw down in the course of the year*

** *The allocation of £355,000 of capital funding comprises £300,000 to Wales Millennium Centre under a long-standing Welsh Government arrangement. The balance of £55,000 funds the Arts Council's own capital costs*

*** *Up to £150,000 of this allocation is for the Robert Owen Memorial/Commemorations. The balance is for progressing work around the National Gallery for Contemporary Art*

*****£1.1m underspend carry over for the specific purpose of COVID-19 emergency support*

TOTAL Grant-In-Aid 2020/21

£33,897,000

Terms and Conditions of Grant-in-Aid funding:

The Arts Council of Wales' 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 the Arts Council as a Welsh Government Sponsored Body. Grant-in-Aid funding is provided to the Arts Council under Section 61 of the Government of Wales Act 2006.

The Framework Document also sets out various operational requirements and refers to government guidance and policies with which the Arts Council of Wales 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 Culture, Sport and Tourism Departments (Arts Branch) is the sponsor department for the Arts Council of Wales and monitors its progress against key targets and milestones through quarterly meetings.

