

AMGUEDDFA CYMRU/MUSEUM WALES

Final report of the Tailored Review Panel

13 July 2023



Amgueddfa Cymru/Museum Wales

Report of the Tailored Review Panel June 2023

Contents	Page
1. Executive Summary	2
2. Introduction	6
3. Tailored Reviews	6
4. Our Process	6
5. Acknowledgments	7
6. Basic Amgueddfa Cymru Information	7
7. Remit Themes	8
8. Environmental Scan	8
9. Recent Events	12
10. Amgueddfa Cymru Governance	14
11. Equality, Diversity and Inclusion	35
12. Partnerships and Relationships	39
13. Contribution to Economy and Society	50
14. Opportunities for Investment, Growth and Shared Services	65
15. Implementation of Our Report	66
16. Conclusion	67

Annexes

Annex 1: Glossary of terms

Annex 2: Review Panel Members

Annex 3: Terms of Reference

Annex 4: List of interviewees

Annex 5: Draft Dispute Resolution Process

Annex 6: Diversity checklist for Trustee Appointments

Annex 7: Summary of Recommendations

1. Executive Summary

1.1 This is the final report of the tailored review panel, established by the Welsh Government to review Amgueddfa Cymru/Museum Wales (AC). It takes account of comments, where we believe them as an independent panel to be appropriate, made by AC, Welsh Government (WG) officials and a Challenge Panel set up as part of the tailored review process. We use abbreviations (e.g. Amgueddfa Cymru - AC) throughout the report for convenience. A glossary is attached at **Annex 1**.

1.2 We have conducted some 111 conversations with individuals and groups, reviewed thousands of pages of documentation and visited all seven AC sites as well as the National Collections Centre. We have observed two meetings of AC trustees and two committees. We produced an interim report focusing on corporate governance in December 2022. In addition to further discussion and proposals on corporate governance, this report deals with the remainder of our comprehensive remit.

1.3 The report contains 77 recommendations which should be seen as a programme of work – mainly for WG and AC working together. Notwithstanding the large number of recommendations, there is much to celebrate in the work of AC. Indeed, once things settle down after recent turbulence, we believe that WG, working with AC, should do more to showcase AC to Wales and the world. A new chair and chief executive of AC will be in post within months. However, we hope that progress can be made on our proposals during the interregnum. With that in mind we have produced proposals which do not require a lengthy process of change to AC's Royal Charter and Statutes.

1.4 We distilled our remit into seven key themes, namely governance; equality, diversity and inclusion; partnerships and relationships; contribution to economy and society; effectiveness, efficiency and economy; performance and structures; and opportunities for growth, investment and shared services. Panel members took lead responsibility for the various themes and for the resulting authorship of their sections of the report. In practice, effectiveness, efficiency and economy, and performance and structures, have been absorbed into the other themes.

1.5 Our review took place over a challenging period for AC as it emerged from the Covid 19 pandemic, alongside dealing with a number of complaints and grievances from the former Director General against the former President and the Trustees. These matters have now been resolved through a separate process from ours. We mention them here since their existence is in the public domain and because we needed to know about them in general terms in order to carry out our review. Our concern has been with systems and processes with a view to putting forward proposals aimed at strengthening the corporate governance of AC and mitigating the risk of similar issues arising in future.

1.6 It has been suggested to us that we should prioritise some of our more far-reaching recommendations. On balance, we decided not to do so since we wanted all our proposals to be considered in the round. Our report is inevitably comprehensive due to the nature of our remit, the complexity and importance of AC and the extent of our evidence base. We hope that this digest, combined with the summary of recommendations in **Annex 7**, assists readers in terms of the accessibility of the report. In addition, each of our recommendations is numbered and set out in bold at the appropriate point in the text.

1.7 We have concluded that AC should continue to be incorporated by Royal Charter and remain a registered charity. We believe the current Framework Agreement between WG and AC should evolve into a partnership agreement to signify a relationship of trust and mutual support. We propose that the current balance of trustees appointed by WG and AC should continue, but that they should work more closely to-

gether, using a skills and experience matrix, to build over time a trustee body of 12-14 members that reflects more closely the diversity of backgrounds and cultures in the population of Wales. We are pleased that WG has already decided to support our proposal that the president and vice-president roles should be replaced by chair and vice-chair and that AC has agreed the post of director general should be replaced by that of chief executive. The new chief executive should carry out a full review of structure, organisation and culture to ensure that they are financially and environmentally sustainable and aligned with the delivery of the 2030 strategy. We also propose that AC appoint a finance director.

1.8 In the light of recent experience we propose, subject to legal consideration, a dispute resolution process with a series of steps designed to create time and space for investigation and earlier resolution of complaints, grievances or formal disagreements at the top of the institution. We set out a number of corporate governance reforms (summarised at 1.13 below) designed to improve decision making and transparency, to comply more fully with good governance guidance and practice and to make fuller use of the skills, experience and talents of trustees and senior managers.

1.9. Although strictly speaking out of scope for our review, we believe that the Historic Wales Partnership, of which AC is a vital part, should be reset and relaunched with a more strategic remit to avoid nugatory competition and to optimise use of scarce resources.

1.10. Finally, we warmly welcome the intention of WG to produce a new culture strategy for Wales by the end of 2023. This would provide a much needed overarching framework for cultural bodies to work within.

1.11. The remaining paragraphs of the executive summary summarise our proposals in a very condensed form, all of which are set out with explanation and argumentation in the main body of the report.

1.12 We are very grateful to all those who supported and contributed to our work. Our conclusions are our own as independent reviewers but they are based on the evidence of a wide range of partners, regulators and stakeholders. We hope they recognise the institution we describe and are able to embrace the reforms we propose.

1.13 **Governance**

The corporate governance of AC was the most important topic for many of our consultees. We have therefore devoted considerable space to it in this report. Recommendations cover the following areas:

- AC should retain its registered charity status, existing for the public benefit.
- AC should continue to be incorporated by Royal Charter.
- A new Partnership Agreement should be created to replace the existing Framework Agreement between WG and AC.
- WG and AC should work together with a skills, experience and diversity matrix to create, over time, a trustee board of 12-14 members.
- The balance of WG and AC trustee appointments should continue.
- Titles of president and vice-president should be abolished in favour of chair and vice-chair [already actioned].
- Post of treasurer should be discontinued.
- New executive head of AC should be entitled chief executive (CE) rather than director general and appointed on a fixed-term, renewable contract [already actioned].
- A finance director of AC should be appointed.
- A dispute resolution process as described in **Annex 5** of the report should be adopted if legally possible.
- One of the trustees should be designated “senior trustee”.
- AC’s committee structure should be reviewed as set out in detail in the report.

- Trustees and senior executives should hold a workshop to rebuild relationships and learn from recent events.

1.14 *Equality, diversity and inclusion*

- A board champion for EDI should be identified and it should be a standing item on the agenda for each board and committee meeting.
- Hold workshops on demographic trends and unconscious bias.
- Continue to develop de-colonisation action beyond addressing slavery.
- Introduce more training and targets from board level down.
- Work with partners to improve access for people living with visible and hidden disabilities.
- Continue to adapt interpretation and the museum environment for people with visible and hidden disabilities and for diverse communities.

1.15 *Partnerships and relationships*

- Develop a new strategy for partnership and community engagement.
- Reach out to people who do not engage and consider how to be a museum for the whole of Wales.
- Foster good relationships with staff following recent damage to morale.
- Reset Historic Wales.
- Progress plans for the National Contemporary Art Gallery and AC's role in it.
- Support for the decision of WG to produce a culture strategy in 2023.
- AC to build on current co-operation with media partners.
- Improved AC working with local authorities and public services boards.
- AC to work with Public Health Wales on social prescribing and other relevant public health initiatives.
- AC to engage more widely with the corporate sector in Wales, especially Wales-based companies.
- AC to consider re-joining National Museums Directors' Council.
- Recognise the convening power of WG in relation to the FIFA Men's football World Cup and use it as a model for future collaboration.
- Place more emphasis on philanthropy.

1.16 *Contribution to economy and society*

- Publish, when complete, and update, in a timely way, collections policies and de-accession policies.
- Develop a shared understanding of what distinguishes a national museum.
- Engage more widely through loans and partnerships with local authorities and other agencies.
- Consider the approach to industrial heritage sites to ensure relevance to future generations.
- Continue to update research, learning and education policies with metrics.
- Provide additional opportunities for people to use Welsh.
- Ensure that the new chair and/or chief executive can speak Welsh or have an expectation to learn.
- Test sustainability strategy, ensure it is public-facing and that a systems approach applies across the organisation.
- Work more closely with Visit Wales.

1.17 *Effectiveness, efficiency and economy*

- New CE to carry out a full review of structure, organisation and culture.
- Present a dashboard of KPIs, including financial ones, for presentation to all board meetings and appropriate committees.

- WG, with advice from Cadw, to work with AC to identify capital investment needed in the Museum's historic estate over 25 years.
- AC to remain free for site access but that opportunities to generate income other than from the national collection be encouraged in the interest of financial sustainability.
- Consider whether, in any future re-branding, Amgueddfeydd Cenedlaethol Cymru/National Museums Wales, would more accurately represent the inclusion of all sites and AC's status, in a country with relatively few national institutions, alongside other national museums such as those in Scotland and Ireland.

1.18 *Opportunities for investment, growth and shared services*

- With Historic Wales, commit to implementing recommendations from work to assess opportunities for joint working/shared services with WG considering funding on an invest to save basis.
- Develop place-based plans for Blaenavon, Caerleon and Llanberis.

1.19 Implementation

- WG to consider an implementation budget to help defray the direct costs of our proposals.
- Task and finish group to oversee implementation and produce a costed action plan.

2. Introduction

2.1 The tailored review panel (the panel) was appointed in late August 2022 to conduct a tailored review of Amgueddfa Cymru/Museum Wales (AC). The panel's membership is set out in **Annex 2**. Its comprehensive remit, drawn up by AC and the then Welsh Government (WG) Culture and Sport Partnership Team (PT) is at **Annex 3**. The PT is now the Culture Partnership Team and some job titles mentioned in this report have changed since it was written. This is the second tailored review conducted on behalf of the WG and a Welsh Government Sponsored Body (WGSB). The review of the National Library of Wales was published by WG in November 2020 [[A tailored review of the National Library of Wales | GOV.WALES](#)].

2.2 It was originally intended that this review be concluded by Christmas 2022. Given the extent of the remit, it quickly became apparent that this was unachievable from a standing start in September 2022. We therefore decided, with the support of the PT and AC, that we would produce an interim report, focusing on corporate governance, for discussion with the PT and AC before Christmas, with our full report being delivered not later than St David's Day (1 March 2023). This final report incorporates much of the interim report (which was not for publication). It also benefits from feedback from the PT and AC on the full report that we made available to them on 1 March. We have incorporated this feedback where, in our opinion as independent reviewers, it is appropriate. In this final version of our report we have also taken account of the advice of a WG Challenge Panel separate from AC and the PT (part of the tailored review process) with whom we met on 11 May, as well as further feedback from WG more widely than the PT.

3. Tailored Reviews

3.1 In carrying out our work we have, as required by para 1.1 of our remit, paid due consideration to the Cabinet Office Guidance on Reviews of Public Bodies [[Cabinet Guidance](#)]. In particular, we have sought to conduct our review in accordance with the principles identified in the guidance, namely:

- Proportionality
- Challenge
- Being Strategic
- Pace
- Inclusivity
- Transparency

3.2 The panel chair took the opportunity, when we first met the AC trustees and senior executive team (SET) on 6 September 2022, to emphasise that the panel intended "*to do things with you rather than to you and to avoid surprises.*"

4. Our Process

4.1 In accordance with our remit, we adopted the following process:

- A desk review of relevant documentation, including benchmarking information relating to comparator museums in the rest of the UK and Ireland.
- Observation of trustee and committee meetings.
- A programme of visits to the various AC sites.
- Stakeholder consultation.
- Conversations with trustees, SET members and other AC staff, WG officials, the Charity Commission and Audit Wales (AW).
- A full list of interviewees and consultees is attached at **Annex 4**.

4.2 As a panel we have been in constant contact and met at least weekly. We have spoken to some 111 people through individual conversations or stakeholder engagements. We developed guidance for the conversations to enable people to prepare in advance. In particular, it should be noted that the conversations were conducted mainly 1:1 and on a non-attributable basis to encourage openness. The conversations have been invaluable and most of the ideas discussed later in the report derive from these discussions. We conducted conversations in Welsh or English, depending upon the preference of our interviewees.

4.3 Section 5 of our remit encouraged us to visit a selection of sites. AC has seven sites and the National Collections Centre. We decided, in the interests of equity and of fully informing ourselves, that we should visit all the sites with as many panel members as possible. The sites are as follows and, between us, we have visited them all:

- National Museum Cardiff, Cathays Park.
- St Fagans National Museum of History, Cardiff.
- National Slate Museum, Llanberis.
- National Roman Legion Museum, Caerleon.
- National Collections Centre, Nantgarw.
- National Wool Museum, Dre-fach.
- National Waterfront Museum, Swansea.
- Big Pit National Coal Museum, Blaenavon.

4.4 We have considered a wide range of documents, partly suggested to us by AC and WG and partly requested by us. All the review documentation, including notes of conversations, is stored on an Objective Connect workspace, accessible only to panel members and our small secretariat drawn from the WG Public Bodies Unit (PBU), but acting independently for us.

5. Acknowledgments

5.1 We are indebted to all those who have engaged with us, including WG officials, AC trustees and staff, AW, the Charity Commission and stakeholders. We have been greatly encouraged by the courtesy we have been shown and the support for our work. We are especially grateful to our small secretariat, headed initially by Lindi Lloyd and subsequently Richard Shearer. In addition, Julia Douch and Jo Glenn from the PBU kindly attended a number of our meetings. Finally, we would like to express our thanks to Dr Simon Thurley CBE whose 2017 report and AC's response to it has influenced our thinking. [[Review of Amgueddfa Cymru \(gov.wales\)](#)]

6. Basic AC Information

6.1 AC was incorporated by Royal Charter in 1907. It turns over around £35m a year and employs over 700 people, excluding a pool of staff that AC can call upon as required. Visitor numbers are recovering towards pre-pandemic levels at about 1million a year, with around half of visits being to Cardiff and St Fagans. The majority of visitors are from Wales, although around 40% come from the rest of the UK and the world. Admission to the sites is free. 80% of AC funding comes from WG grant in aid (GIA). The remainder is a mixture of philanthropic giving, sponsorship, charging for special events, hospitality, car parking and retail. Around 70% of expenditure is on staffing (88% of GIA). AC hosts world-class fine art and natural history collections in addition to its focus on life in Wales, history, language and culture. The collection numbers over 5 million items. As with other museums, it is only possible to display a small fraction of the collection, the bulk of which is held at the National Collections Centre, where access is by appointment.

6.2 AC, through its schools' programmes and other initiatives, is the largest school-age educational body in Wales outside the school system. It has an active outreach programme, concentrating particularly on less

advantaged and minority communities. There is also an active research programme in partnership with universities and research councils.

6.3 During the period of this review many organisations, individuals and colleagues have spoken with passion and enthusiasm of the great work AC does. There is clearly a highly motivated team which has achieved much, as highlighted by the success AC has enjoyed over recent years, including the prestigious Art Fund Museum of the Year award for St Fagans in 2019. AC particularly excels in the work it does on learning and education, has been a leader in the sector on work linked to cultural democracy and has made significant progress in recent years on its commercial activities. AC does much that the people of Wales can be rightly proud of, and WG should recognise the benefits and opportunities AC provides and value this contribution.

6.4 As would be expected in a tailored review, we have found things that, in our view, require improvement, but that should not detract from the fact that there is much to celebrate. AC is a huge asset for Wales.

Recommendation 1: that WG acknowledges the good work AC does for Wales and is more proactive in promoting this.

7. Remit Themes

7.1 At an early stage in our work, we identified seven themes drawn from our remit (although in practice effectiveness, efficiency and economy and performance and structures were absorbed into other themes) and allocated panel members as theme leaders and lead authors of their sections of the report. The themes are as follows:

- Corporate governance including culture, relationships, compliance and accountabilities.
- Effectiveness, efficiency and economy.
- Opportunities for growth, investment and shared services.
- Performance and structures.
- Equality, diversity and inclusion.
- Partnerships and relationships.
- Contribution to economy and society (including Welsh language and culture).

8. Environmental Scan

8.1 This tailored review took place at a time of global and domestic change brought about by a confluence of the COVID-19 pandemic; de-globalisation; the war on Ukraine; and an acceleration in climate change. While it was not possible for the Tailored Review Panel to explore all potential impacts of such change on the future and adaptability of AC, we felt it to be both prudent and grounding to give some initial consideration to the operating environment for museums at this time. As far as possible, the panel attempted to focus on the broad, macro issues facing the museum sector, helping to ensure that our recommendations have strategic import in potential implementation.

8.2 The following is a summary of the key issues that the panel has considered. AC provided us with a very helpful response detailing its response to these issues, including the actions it is taking and the plans it is making.

8.3 **De-globalisation:** The COVID pandemic, coupled with the climate crisis, has accelerated a shift away from globalisation to more localisation. For the museum sector, de-globalisation is playing out in multiple ways: there is a shift away from the blockbuster/ touring exhibitions in favour of programmes focused more

on local audiences. From a public funding perspective, for example, the UK Government's levelling-up agenda has manifested in a re-allocation of cultural funding in England intended to re-balance cultural activity outside London.

8.4 Inflation and cost of living crisis: The cost-of-living crisis, coupled with a continued risk of recession in the UK, will have a plethora of implications, many of which have yet to be played out. "Stagflation" i.e. high inflation, accompanied by low growth, impacts on everyone and has the potential to last longer than the global recession in 2008. Persistent low growth will, inevitably, impact on public expenditure and this poses risk for bodies, such as publicly funded cultural institutions, which are heavily reliant on public funding (around 80% of turnover in the case of AC). The crisis will, as it persists, impact on people's ability to spend on leisure activities, and their secondary spend when visiting attractions. On the other hand, publicly funded institutions, such as AC, have the opportunity to further position themselves as a low-cost, high-value day out as well as deepening their relevance in communities. In addition, the fall in the value of sterling makes the UK a more attractive destination for international visitors. These opportunities are predicated on any museum's ability to grow and maintain income streams during a recessionary period alongside double digit increases in operating costs. AC will be competing with schools, hospitals and social care for public funds.

8.5 Climate change, de-carbonisation and the energy crisis: The role and responsibilities of museums in climate action is multi-faceted. As educational institutions, museums have the capability and flex, through natural history and other collections, to create public understanding of the scale and impact of climate change on areas such as biodiversity and natural heritage. Many museums, including AC, are undertaking efforts to recognise this in a strategic and programmatic way. But alongside their laudable role in raising awareness of climate action, museums themselves are a source of direct and down-stream emissions. The carbon footprint of the museum sector has been brought into sharp focus since the onset of the energy crisis: across Europe energy costs for museums have increased by 400% since 2021 ([NEMO Statement Energy Crisis in Europe](#)). The requirement to maintain climate control conditions for collections, and the historic nature of many museum buildings, make energy efficiency a challenge for the sector. The practice of unsustainably collecting, at a mass scale, by museums has also been called into question, given the environmental and economic costs of such practice. Alongside inflation and downturn, AC is – like counterparts across the sector - faced with energy cost inflation and an urgency to de-carbonise both of which require immediate prioritisation. Finally, as domestic energy bills rise, public buildings will increasingly become places where people gather to keep warm, placing even more pressure on energy consumption for AC. All this needs to be considered in the context of the WG aspiration for the Welsh public sector to be carbon neutral by 2030.

8.6 Democratisation: The debate about the role of museums, especially those which are state funded, has been ongoing in recent decades, often resulting in divergence between those who consider the care of collections as central to museum business, and those who consider public access and engagement to be paramount. The divergence of views contributed to the time it has taken the International Council of Museums (ICOM) to agree upon a definition of a museum that is fit-for-purpose. The ICOM definition, agreed in 2022, states:

"A museum is a not-for-profit, permanent institution in the service of society that researches, collects, conserves, interprets and exhibits tangible and intangible heritage. Open to the public, accessible and inclusive, museums foster diversity and sustainability. They operate and communicate ethically, professionally and with the participation of communities, offering varied experiences for education, enjoyment, reflection and knowledge sharing."

8.7 The inclusion of the public, and particular references to accessibility, inclusiveness and participation of communities reflects contemporary museum practice and thinking, as it relates to a more democratised

space, reflecting collections and histories of those communities who have been under-represented, or not represented, in the past.

8.8 In 2020, the Black Lives Matter (BLM) movement brought new focus to the democratisation of museums, causing many quickly to pivot interpretation, programming and community engagement. Directly linked to this has been engagement of museums in anti-racism campaigns, some of which, as in the case of AC, are being led and supported by government.

8.9 It remains the case that many museums have some way to travel in terms of diversity, across all grounds of discrimination, with many offering only limited access to people with mobility issues or not catering adequately for those with sensory or cognitive impairments.

8.10 Beyond this, the pandemic has left museums with reduced footfalls. Recovery is, for the most part, slow. Visitor numbers in attractions across the UK are at an average of 85% of those in 2019 and international tourism is still 28% down on 2019 figures. Museums are being forced to consider new ways of engaging with the public. Introducing a broader range of programmes and new offerings – such as destination cafes, music concerts and reconfiguration of spaces for the public to simply hang out – are among ways that museums are shifting to engage with changing demographics.

8.11 The move away from globalisation is causing institutions to drop ambitions to be world class, and consider more what local communities want. Blockbuster-type exhibitions are being replaced by more relevant cultural experiences: a move to integrate popular music acts to attract young audiences has assisted in attracting a new demographic to the museum setting.

8.12 **Culture wars / decolonisation / repatriation:** Within the space of two-years, the language, collections policy, interpretation and approach to ‘world collections’ has been turned on its head. Again, the BLM movement has had a far-reaching impact on museums in this regard. Museums, and especially their collections, are part of the so-called “culture wars” which, in the UK context, have become strongly linked with colonialism.

8.13 There is a widely held view among EU and UK cultural institutions and governments (though not exclusively so), that museums should actively engage in the repatriation of cultural material. The terms ‘restitution’ and ‘repatriation’ do not have any strict legal definition as far as museum practice is concerned. They tend to be used rather loosely but, in essence, they have traditionally described the process of returning cultural material to its original owners (restitution) or its place of origin (repatriation). Considered more broadly, however, responding to a claim for restitution and repatriation can encompass much more than this, and enable museum practice to develop and adapt.

8.14 There is no such thing as a single, uniform process or set of procedures which constitute a ‘restitution blueprint’. As such, individual museums and states are establishing their own practices and modelling. This has become an area requiring greater resources – including at a strategic and leadership level – in the sector. This area of focus for museums will continue into the medium-term and opens a wider debate about how museums collect and interpret artefacts and material.

8.15 While we understand that AC transferred its ethnographic collection, and is no longer the custodian, we are also aware of AC’s planned audit to identify elements of the National Collection that may still be contested.

8.16 **Demographics:** The world’s population is expected to increase by two billion people, from 7.7 billion at present to 9.7 billion in 2050, before reaching a peak of nearly 11 billion by the end of the century as fer-

tility rates continue to decline. During this period, the global population is projected to become more urban, and older. Since 2018, children below age 5 have been outnumbered by people aged 65 or above. By 2050, older people will outnumber the population aged below 25 years.

8.17 Half of global population growth between now and 2050 is expected to come from: India, Nigeria, Pakistan, the Democratic Republic of the Congo, Ethiopia, Tanzania, Indonesia, Egypt and the United States of America (in descending order of increase). The population in Europe will continue to shrink.

8.18 In Wales, overall, the population is ageing and becoming more urbanised, with some regions facing significant population decline. Like many European countries, Wales will rely on inward migration to support economic growth and societal infrastructures.

8.19 The demographic trends, highlighted below, are from the 2021 census and were considered by us, especially with regard to Equality, Diversity and Inclusion (EDI) and society ([Wales: Census 2021 - ONS](#)):

8.20 **Demographics in Wales:**

- On Census Day, 21 March 2021, the size of the usual resident population in Wales was estimated to be 3,107,494, the largest population ever recorded through a census in Wales.
- 2.9 million usual residents in Wales identified within the high-level ethnic group category “White” (93.8% of the population, compared to 95.6% in 2011). 90.6% of the population identified as “White: Welsh, English, Scottish, Northern Irish or British” in 2021.
- The second largest high-level category in Wales in 2021 was “Asian, Asian Welsh or Asian British”, with 89,000 people identifying within this category (2.9% of the population, compared to 2.3% in 2011).
- In Wales, Poland remained the most common country of birth outside the UK in 2021 (24,832 people, 0.8% of all usual residents).
- 124,557 usual residents (4.0%) held a non-UK passport, with the most common non-UK passport held being Polish.

8.21 **Age:**

- In 2021, the average (median) age in Wales was 42 years. This is higher than the average (median) age of 41 years in 2011. The average (median) age in England in 2021 was 40 years.
- The local authorities with the highest average (median) age were Powys (50 years), Conwy and Monmouthshire (both 49 years). The local authorities with the lowest average (median) age were Cardiff (34 years) and Newport (38 years).
- The rate of population growth in Wales was considerably lower than in England, where the population grew by 6.6%. Population growth was also lower in Wales than in all English regions. The rate of growth in Wales was nearly six times lower than the East of England, the English region with the highest percentage change in the size of the population (8.3%). It was also lower than the English region with the lowest population growth, the North East (1.9%).
- The percentage of the population aged 65 years and over was higher in Wales (21.3%) than in England (18.4%) in 2021. The only English region with a larger percentage of the population aged 65 years and over than Wales was the South West (22.3%). This contrasts with London (11.9%), which was the region with the lowest percentage of the population in this age group.
- There were more deaths than births in Wales between 2011 and 2021. The population growth since 2011 is therefore due to positive net migration into Wales (approximately 55,000 usual residents).

8.22 **Religion**

- 2.9 million respondents in Wales (93.7%) chose to answer the voluntary religion question in 2021, whereas 195,000 (6.3%) chose not to answer. More people answered than in 2011 when 92.4% answered and 7.6% chose not to answer.
- 1.4 million usual residents in Wales reported that they had “No religion” in 2021 (46.5% of the population, up from 32.1% in 2011). More people reported “No religion” than any single religious affiliation.
- 43.6% of usual residents (1.4 million) described their religion as “Christian” in 2021. This religious affiliation had previously been selected by over half of residents in Wales in the 2011 Census (57.6%).
- The next largest religious affiliation in Wales was “Muslim”, with 2.2% of the population (67,000 usual residents) identifying as “Muslim” in 2021. This is an increase from 1.5% in 2011.

8.23 Digitisation: The digital capacity or digital deficits of museums was brought into sharp focus during the pandemic. Museums with existing, strong digital infrastructure made a quick ‘pivot’ to audience engagement in the online space, while those without struggled. Where effective, digital engagement opened museums to new audiences and, in the post-lockdown era, audiences now expect digital engagement to complement and enhance in-person visits. Such expectation has placed pressures on museums, which have yet to invest in a robust digital infrastructure, to budget and plan for full participation in the online space.

8.24 At a more general level in the digital sphere, the development of Web3 – a decentralised internet built on blockchain technologies, user ownership of data, open-source software code and immersive experiences – represents the most profound technological change. From an arts and culture perspective, the emergence of Web3 has potential implications for public engagement activities; digital collecting and valuations; the circulation of artefacts and other materials between institutions. It is entirely plausible that an individual, two friends or a group of strangers from around the physical world, with a shared interest, could attend a totally immersive exhibition, performance, lecture or event hosted by a museum in the metaverse. Equally, the metaverse would ostensibly support sectoral innovation through closer collaboration, regardless of geographies. Artificial Intelligence (AI) has emerged as both a challenge and an opportunity for the creative and cultural spaces.

8.25 With digital opportunities for museums, new threats and risks arise, including the rise of cyber-attacks. Finding suitably qualified staff from a section of the labour market that continues to be in high demand (and expensive) is challenging for the cultural sector, more generally.

9. Recent Events

9.1 A number of our interlocutors wished to refer to recent difficulties affecting the governance and management of AC at the highest levels. These matters are in the public domain and are referenced by AW in a note on AC’s 2020/21 financial statements which includes a reference to the Auditor General having a “watching brief” in relation to our review. Our review has been carried out concurrently with formal processes which have now concluded. Public announcements have been made that the former President left on 31 December 2022 and the Director General (DG) left in April 2023. There is now a significant opportunity for AC to put recent perturbations behind it and move forward under new leadership.

9.2 Our remit includes governance, effectiveness and relationships so recent events were relevant to our work. However, we have been careful not to interfere with, compromise, nor undermine formal processes. They needed to run their course without unhelpful comment or interference on our part. Some people have told us they think the timing of our review is unfortunate given the issues; others felt a review was overdue. We took the view that we had a duty to discharge our remit. Given that the review was commissioned to coincide with recent events, it is inevitable that these were to the forefront of the minds of many

of our interviewees. It is therefore important that we bear witness to deep concerns expressed to us, while recognising that AC is now determined to move forward and put recent events behind it.

9.3 Our contribution is to identify lessons learned and put forward ways and means of dealing with such crises, through policies and procedures. This has required us to review the framework under which AC operates, and in particular the respective roles of trustees, ministers, officials, the Charity Commission and AW, as well as those of Accounting Officer (AO) and Additional Accounting Officer (AAO). Whenever there are irreconcilable differences at the very top of organisations, disruption and uncertainty are inevitable, but we hope that our proposals on dispute resolution and related protocols and guidance, if adopted, will provide mitigation in the event of similar circumstances arising in the future. Our remit confines us to AC but we have drafted our proposals in such a way that they could have application more widely.

10. AC Governance

Preamble

10.1 Sound governance is at the heart of public confidence and organisational success, underpinned by the Seven Principles of Public Life (the Nolan Principles) which have stood the test of time since Lord Nolan devised them in 1995:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

10.2 All holders of public office are expected to abide by these principles and an understanding of them is a pre-requisite for appointment as an AC trustee. The principles are enshrined in *Managing Welsh Public Money* [[Managing Welsh Public Money \(gov.wales\)](#)], a seminal document which sets out the main principles for handling public funds with probity and in the public interest. Our governance proposals are intended to be fully consistent with *Managing Welsh Public Money*, as well as with the Nolan Principles, the Charity Guidance Code for Larger Charities and the Clore Leadership Governance Guide for the cultural sector [[Charity Governance Code / The Clore Leadership Programme](#)].

10.3 What might be described as the three legs of the AC governance stool comprise the trustees, the SET and the PT. Each leg must be stable for the stool to be stable. This not only means each component having a clear understanding of their own role but also understanding and respecting the roles of the others.

10.4 AC has published a comprehensive and lengthy *Corporate Governance and Standards Framework*, to which are appended documents such as the Royal Charter, the Statutes and the WG Framework. It is valuable to have such documents available to be read and referenced by all trustees and senior executives of AC. We recognise that care has been taken in the document to articulate principles that set out the way such an important institution is governed. However, the present document is unwieldy and repetitive. It would be more valuable if it were clearer and more robust. We realise that there is always a potential gap between saying something and doing it in practice, but AC would be well-served by having a revised and simplified Framework as its lodestone.

Recommendation 2: that AC prepares a revised, modernised and simplified Corporate Governance and Standards Code of Practice.

Panel experience and focus

10.5 As a panel, we have wide experience, executively and non-executively, of corporate governance in a number of settings and jurisdictions including Wales, England, and Ireland, the NHS, public service, cultural organisations, charitable bodies, further and higher education, the private sector and local government. Panel members have carried out numerous governance reviews, so we feel well placed to provide advice. We have the benefit of access to a wide range of views and professional advice. Corporate governance has been, by far, the most pressing issue raised with us by AC and WG interviewees, so we make no apology for devoting a significant part of our review to it.

10.6 Notwithstanding the ability, experience and commitment of trustees and senior executives, governance processes and structures fractured under intolerable pressure during much of 2021/22. This led us, having listened carefully to the concerns of some interviewees and stakeholders, to conclude that signifi-

cant reform to the corporate governance of AC is required. Bad cases do not make good law, so we have tried to look beyond recent events (while learning lessons from them) to propose a robust, proportionate governance culture and structure which has the resilience to deal with the unexpected. But we also want to avoid over-reaction to recent events which were, in our experience, unprecedented, and therefore rare and unusual. We also wish to reassure stakeholders and funders that we are confident that exemplary governance can be recovered within a year or so if the measures we propose are implemented in a timely manner. This is partly why we have focused on reforms that do not require significant constitutional or organisational change. We should also record that, throughout the perturbations, AC continued to function (at high personal cost in some cases), to serve its communities and support its staff, as it did during the pandemic.

10.7 In considering these issues of governance we asked ourselves the following questions:

- What is the hierarchy of the various constitutional provisions?
- Are they likely to change?
- Are they mutually compatible and, if not, can the incompatibility be overcome, if not always technically, then through informal and formal dispute resolution processes?
- Are the arrangements capable of simplification?
- What should future arrangements look like?

Royal Charter

10.8 As noted above, AC was incorporated by Royal Charter in 1907 (as was the National Library) [[Royal Charter \(museum.wales\)](#)]. Supplemental Charters were granted in 1911, 1990 and 2007. The granting of a Royal Charter is generally regarded as the highest form of incorporation, partly due to its prestige as a gift from the Sovereign, partly because only important organisations are granted Royal Charters, and also because the Charter and accompanying Statutes mean that chartered corporations can do anything a real, legal person can do within the law. This independence is constrained, however: a body with a Royal Charter cannot do things that are incompatible with its functions under the Charter, and it is further constrained where public money is concerned. AC cannot, for example, borrow or lend money without WG approval. Royal Charters are generally granted in perpetuity, although a notable exception is that of the BBC, which is renewed every ten years by the Westminster Parliament with a legally binding accompanying Framework Agreement.

10.9 The purpose of AC is defined in its Charter as follows:

“THE ADVANCEMENT OF THE EDUCATION OF THE PUBLIC: (I) PRIMARILY, BY THE COMPREHENSIVE REPRESENTATION OF SCIENCE, ART, INDUSTRY, HISTORY AND CULTURE OF, OR RELEVANT TO, WALES, AND (II) GENERALLY, BY THE COLLECTION, RECORDING, PRESERVATION, ELUCIDATION AND PRESENTATION OF OBJECTS AND THINGS AND ASSOCIATED KNOWLEDGE, WHETHER CONNECTED OR NOT WITH WALES, WHICH ARE CALCULATED TO FURTHER THE ENHANCEMENT OF UNDERSTANDING AND THE PROMOTION OF RESEARCH.”

10.10 A number of Charter provisions are of interest to our review since they indicate the wide discretion the trustees have to make changes to their governance without seeking Charter amendments from the Privy Council. These include:

Article 6

- (i) The Trustees are clearly the governing body with a wide range of powers;
- (ii) there can be no fewer than 10 nor more than 17 Trustees;
- (iii) the officers are the President, Vice-President and Treasurer but the Trustees can vary these titles; [note: in practice in consultation with WG]
- (vi) Trustees may be paid subject to prior Charity Commission approval.

Article 7 Trustees appoint and remove the CEO (i.e. DG). The DG has a general responsibility for management and administration on behalf of the Trustees.

Article 11 The Charter can be surrendered by a majority vote of 75% of Trustees present and voting (being an absolute majority of the whole number of Trustees).

10.11 The Statutes set out powers and processes in more detail than the Charter. Some Statute provisions include (numbers/letters refer to the various Statutes):

2 (2) (a) Welsh Ministers appoint the President/Vice-President in consultation with the Trustees.

(b) Trustees appoint the Treasurer in consultation with Welsh Ministers but only if Trustees want to appoint.

(c)(d) Officers serve no more than two terms of four years and no more than 12 consecutively as a Trustee. [In practice this is limited to ten years by the Charity Commission and WG's policy is no more than two four year terms.]

2 (6). If Welsh Ministers do not appoint a President/Vice-President they have to appoint a Chair/Vice-Chair.

3. Welsh Ministers appoint up to nine Trustees in consultation with the Trustees; Trustees appoint up to seven.

4. (1) President or five Trustees can require the DG to call a special meeting.

(3) Quorum for meetings is five including an Officer.

10.12 While technically possible, it is vanishingly unlikely that the trustees would surrender a Royal Charter, so we regard it as a given. Charters and Statutes can be changed by petitioning the Privy Council, providing details of proposed changes, consultation on the changes and their rationale. The Privy Council Office would, we understand, consult WG prior to placing the changes before the Lord President of the Council. The process is time-consuming but possible. In practice, chartered bodies tend to "save up" changes to avoid repeated petitions to the Privy Council. The Charities Act 2023 permits chartered charities to make certain changes to Charter and Statutes but they must follow any process set out in their charters if there is one. In AC's case a petition to the Privy Council would still be required since it is a Charter requirement. Our proposals have been designed to operate within the existing Charter and Statutes since, in our view, they provide sufficient flexibility to do so and because we are anxious to produce proposals which can be implemented quickly.

10.13 There are plenty of examples of chartered bodies receiving public funds and reconciling their charitable purposes with the requirements of public accountability. Examples in Wales include the National Library and universities such as Aberystwyth, Bangor, Cardiff and Swansea. We further note that a senior official of WG is conducting a review of Welsh public bodies with Royal Charters. We have spoken with him and believe our approach is consistent with his.

Recommendation 3: that, consistent with the recommendations of the tailored review of the National Library of Wales and the review of Chartered Bodies, AC should continue to be incorporated by Royal Charter.

Charitable status

10.14 AC is a registered charity (no 525774) and therefore governed by charity law and regulated by the Charity Commission (some museums in England are exempt charities and regulated differently). It is governed by Royal Charter and will remain a charity until such time as the Charter is revoked, amended or added to in such a way as to render it no longer a charity. When an organisation meets the definition of a charity and also meets the requirement to register as set out in part 4 of the Charities Act 2011, it must do so. Thereafter it must remain registered until such time as it is dissolved or no longer meets the registration

requirement. The Senedd has no power to amend the law of charities because that is reserved to the Westminster Parliament. It is, however, theoretically possible for the Senedd to legislate to alter the legal status of AC in a way that might result in it losing its charitable status. We have been given no evidence that it would be desirable for AC to cease to be a charity, and we see no case for the removal of this status, especially in the absence of other clear governance rules. On the contrary, we believe that it is important that AC remains a charity. We note that the National Library Tailored Review arrived at a similar conclusion to us in relation to the status of the National Library.

10.15 Charitable status brings tax benefits; capacity to fundraise through charitable donations; as well as ensuring the independence of the trust that administers the charity. Trustees' overriding duty, regardless of whom they are appointed by, is to follow the objects of the charity and to act in its best interests - any other obligations, including obligations to WG as its principal funder in AC's case are important, but secondary.

10.16 There is potential for tension between the duties of the trustees to advance their charitable objects and WG requirements. If such tension were to exist, it is clear from the governance documents we have seen that all parties are aware that trustees' duties are to the charity. However, both trustees and WG are united in wanting AC to succeed, and with WG providing 80% of AC's funding, it is incumbent upon trustees to resolve any tensions initially through discussion and, should informal routes fail, through formal processes.

10.17 We have been pleased to note the current congruence between the WG Programme for Government, AC's remit letter from WG and AC's 2030 strategy. We have noted some interest in AC being placed on a statutory footing similar to that of museums in England. Such a major change would require strong justification, the introduction of legislation, significant disruption and a possible threat to the charitable status of AC. Given that legislation is even more inflexible than a Royal Charter we are unconvinced that such a change is necessary nor desirable.

Recommendation 4: that AC remain a registered charity, existing for the public benefit.

10.18 Although tailored reviews are not audits, we have noticed that, in certain respects, AC is not compliant with the Governance Code for Larger Charities. The Code recommends that every charity should examine its compliance with the Code and should then either adopt the Code or explain why it is not doing so. This should be done by AC.

Recommendation 5: that AC should prepare a schedule of compliance with the Governance Code for Larger Charities and that, where AC is not compliant, an appropriate explanation be provided in its Annual Report.

Well-being of Future Generations (Wales) Act 2015

10.19 AC is one of the 44 public bodies that are required to meet the requirements of the Well-being of Future Generations (Wales) Act 2015. As a result, AC is required to set well-being objectives designed to maximise its contribution to the well-being goals set out in the Act and adopt its five ways of working – based on looking at the long-term, on prevention, on an integrated approach, on collaboration and on involvement. The Act is audited by AW which undertook an examination of AC's engagement activities in 2019 and found that "AC has demonstrated commitment to the Well-being of Future Generations Act and has applied the Sustainable Development Principle to some engagement activities but it recognises that it could more proactively apply and embed the five ways of working throughout its engagement programme." [[WFG: AC's engagement activities \(audit.wales\)](#)] We understand that AW has recently announced that it will again examine AC's compliance with aspects of the Act in 2023, together with other culture bodies.

10.20 During our work we have identified a number of positive examples of how AC is delivering the Act. However, comments from some indicated that AC could do more to engage with Public Services Boards, which function at a Local Authority level, and this may provide an opportunity for AC to influence Local Well-being Plans and develop partnerships with Local Authorities, Health Boards, Public Health Wales, National Park Authorities and other public bodies at a local and national level. Where possible (in keeping with principle of proportionality) we have placed reliance on the work of third parties rather than re-inventing the wheel and seeking assurance ourselves. We are happy to take assurance from the work of AW so far as compliance with the Well-being of Future Generations Act is concerned.

The Framework Document

10.21 As previously noted, we understand that the *Framework Document* (Annex 6) has been under review with a view to aligning it with the 2017 *Delivering Together* report by Julia Douch and David Rosser and sub-titled “*Strengthening the Welsh Government’s Sponsorship of Arm’s-length Bodies*”. We are informed, however, that full implementation of this report has been delayed by the pandemic and a lower than anticipated transfer of staff to the PBU – staff needed to enable it to meet the enhanced role and responsibilities envisaged in the report. *Delivering Together* strikes us as a thoughtful and pragmatic analysis which stands up well five years later. We accept that it may have been somewhat overtaken by events and resource constraints, but we believe its principles are sound in terms of mature relationships, culture, mutual respect and trust, especially since partnership, senior engagement, training and development are at the core of the proposals. [[Table of recommendations - Delivering Together report | GOV.WALES](#)] We have been given access to the draft of a revised Framework Agreement since the current one is outdated and our advice has been sought. The revised draft will, in our view, require considerable updating to become a Partnership Agreement. While we remain in being as a panel, we stand ready to comment if required as the drafting progresses.

10.22 The current *Framework Document* and the *Remit Letter* [[Remit letter | Museum Wales](#)] are the main oversight tools between AC and WG. The current *Framework Document* is a mix of sensible principles and detailed prescription. The latter does not always sit lightly with the principles. At the outset, the document clearly states that conflict between it and AC’s status as a Charter body and Registered Charity is possible and that, in such cases, charity law and the Charter take precedence. This would be the case whether or not the document says so, but it is useful to have it clearly stated. The Framework is therefore lower in the hierarchy of governance. The independence of charities from the state is also emphasised; there is a welcome acknowledgement that AC should be given as much flexibility as possible and that remit letters should be no more prescriptive than necessary. AC is responsible for developing its own strategy, and the trustees are responsible for overseeing its implementation.

10.23 As stated, it is useful that the strategic objectives of AC, in its new corporate strategy, align with Government objectives across a number of important areas. However, such strategic alignment might not always be possible and, as an independent body, AC must be the author of its own strategy, taking into account, of course, the interests of all of its stakeholders, from community to statutory funders. We consider strategy formulation and implementation below. The *Framework Document* goes on to recognise the expertise of AC, and effective communication and collaboration is specified. The trustees are identified as having the primary governance and internal control responsibility, with the sponsorship team (as the PT was then called) focusing on delivery, outcomes and relationships with WG. There are helpful provisions on the need for proportionate, risk-based regulation alongside the recognition that WG might sometimes need to intervene “with a stronger grip”. The need to set out clear roles and expectations for the various actors is stated. The remainder of the document sets out detailed arrangements for governance and accountability, management arrangements, financial arrangements and responsibilities.

10.24 We suggest that it is now time for a new Partnership Agreement to be drawn up to replace the Framework Agreement (a term now more commonly associated with public procurement). This would reflect the move in WG from “sponsorship” to “partnership” teams. If the designation is to be more than window dressing it needs to be underpinned by new, formalised, partnership working arrangements. Such an agreement might have applicability for other arm’s length bodies, although that would be out of scope for us. The new agreement would be drawn up through tripartite discussion between the PT, PBU and AC, drawing on the *Delivering Together* analysis. Some of the guiding principles for such a document might be:

- Respect for AC’s independence as a chartered body, charity and fulcrum institution in Wales.
- Application of Agreement to be confined to public funding, not funds raised elsewhere by AC.
- Focus on impact rather than inputs and process.
- Strategic level engagement.
- Clarity on what happens if things go wrong, including processes and procedures, roles and responsibilities, contractual obligations and role descriptions (see Dispute Resolution processes below for more detail).
- Proportionate risk-based regulation aligned to performance.
- Regular engagement at official level with the chair and CE and 1:1 engagement at least six monthly between the relevant Minister or Deputy Minister and the chair
- An annual ministerial visit to the board, taking the opportunity to meet staff and view facilities at the site where the trustees are meeting (we believe this would lift morale and send a strong signal of the value WG places on AC).
- Avoidance of requests for information which would not otherwise be useful to AC or where the cost of production outweighs the benefit.
- Avoidance of micro-management e.g. in staffing levels or terms and conditions, provided costs are contained within agreed parameters and there are no wider implications for WG.
- Clarity on reporting to WG, including frequency; to whom; on what activities; and in what format on progress with delivering the operating plan to achieve WG expectations.
- An onus on AC to provide concise, timely and relevant high-level reports RAG rated (i.e. red, amber or green).
- Encouragement through incentives for AC to diversify its income streams, for example:
 - a guarantee that grant-in-aid would not reduce as a direct result of successful non-exchequer income generation;
 - support for business plans e.g. through capital investment with, should WG require it, a return to WG as well as AC;
 - flexibility on charging for additional offerings across all of the museum sites while preserving the principle of free admission;
 - a common understanding of the definition of a ‘free museum’ across AC and WG; and consideration whether the concept of a ‘free museum’ is the best approach to reaching communities who are excluded and face ‘threshold fear’ when it comes to engagement with AC’s sites;
 - matched funding up to pre-determined limits where, for example, WG could encourage philanthropic giving through a matching or at least supporting contribution.

10.25 The Partnership Agreement should be reviewed regularly by the PT, AC and PBU and, in any case, at least quinquennially. It will inevitably be a formal document in the sense that it has to incorporate the relevant provisions of Managing Welsh Public Money but, at its heart, it should be seen as underpinning a genuine commitment to work together. This would include mutual obligations to be open, candid and respectful and a commitment to avoiding surprises and doing things **with** rather than **to** each other.

Recommendation 6: that a Partnership Agreement, as outlined above, be drawn up, in consultation among PT, PBU and AC and implemented as soon as practicable to replace the Framework Agreement.

Remit Letter

10.26 AC's Term of Government Remit Letter 2021-26 was issued by the Deputy Minister on 22 December 2021. We have received some comments that remit letters are too long, sometimes issued too late and are not focused enough on museum-specific issues. The letter was issued a month late but is courteous and only two pages long. Its concluding paragraphs encapsulate for us the healthy relationship between WG and AC towards which all should strive:

10.27 *"Your charitable and Royal Charter status and the need for Amgueddfa Cymru to act independently on a day-to-day basis is clear, and it is my intention that our relationship will continue to be based on mutual trust and respect, and on open and honest communication. Amgueddfa Cymru should not just reflect contemporary Wales but be at the heart of it. There is much to do, but I am convinced that my portfolio can make a positive and lasting difference to people's lives. I look forward to working with you to achieve this".*

10.28 The nine-page Annex to the letter sets out expectations very clearly and provides overall strategic context. On the positive side, the programme of work set out for AC is undoubtedly transformational, both for the institution and the people of Wales. It goes well beyond what many people might think of as the traditional model of a museum, to acquire, to keep, to curate, to interpret, to educate, into nothing less than the transformation of Welsh society to one that is fairer, greener, better educated, less dependent and healthier. On the negative side, it is certainly the case that the aspirations contained in the Annex are rather general and vague, even panglossian. AC, through its strategy, has attempted to embrace the aspiration whilst adhering to its charitable purpose. The challenge now will be delivery, accompanied by the necessary investment, at a time of increasing economic headwinds.

One public service

10.29 We are conscious of the First Minister's ambition to create "one public service" for Wales. No doubt other public bodies have been given similar marching orders to those of AC. Taken together, this may have the potential to create a powerful, integrated engine for change. Public leaders in Wales have commented, in the past, that the members of public bodies, harnessed together in a common purpose, provide an under-utilised resource of commitment, wisdom, expertise and experience. The Public Leaders' Forum is a manifestation of this. The principles set out in the aptly named *Delivering Together* are an opportunity to make the whole greater than the sum of the parts.

10.30 In the context of "one public service" a number of interviewees pointed out that AC's work and strategy encompasses more WG divisions and directorates than Culture, Sport and Tourism where it is located within the Directorate of Economy, Treasury and Constitution, but that it is not always straightforward for AC to interact with parts of WG outside its home Directorate. Clearly, it cannot be a free for all, but we believe ways and means should be devised to enable pan-Wales organisations, such as AC to be able to seamlessly access all areas across WG. Education, research, health and climate change, for examples, are all important areas where AC has a contribution to make.

10.31 We suggest that a dedicated relationship manager is identified whose role includes acting as an "account manager" for AC to help guide it through the labyrinth, open doors and generally facilitate AC's contribution to the wider WG, while respecting its role in relation to its PT. Our attention has also been drawn to the arrangement with the Development Bank for Wales whereby a lead manager coordinates those with a policy interest to engage with the Bank. It would clearly be unrealistic for each cultural body in Wales to have its own relationship manager but the identification of an official to act as a conduit for cultural organisations to interface with WG, as necessary, beyond the PT remit might prove to be an efficient use of scarce resources. Whatever process is decided to facilitate AC's access across WG, the PT clearly has a critical role, not only in terms of oversight but also in enabling AC to access officials in the wider WG.

Recommendation 7: that WG supports the principle of easy access for AC to all parts of WG to which it can contribute and facilitates it either through a designated official or via some other appropriate intervention.

The trustees

10.32 We had conversations with all current trustees, one recently retired trustee and with the two-immediate past presidents. The conversations have largely informed our considerations on matters relating to the trustee body.

Size of the trustee body

10.33 It has been put to us by a number of interviewees that the trustee body is too large. The Clore Leadership Organisation has thirteen trustees but recommends boards of 5-12 members in its Code. Para 5.6.2 of the Charity Governance Code [[Charity Governance Code](#)] states (in relation to larger charities: “A board of at least five but no more than twelve trustees is typically considered good practice”). As noted above, Article 7 of the AC Charter states there can be no fewer than 10 nor more than 17 Trustees.

10.34 Although it is part of WG rather than a separate charitable trust, a comparison has been made with Cadw, the body responsible for safeguarding Wales’ historic environment. Cadw has a board of six members, including a non-executive Chair and three other non-executive directors, together with two senior executive directors. Cadw is regarded by some as more fleet of foot and commercially minded and its governance model is felt to be one that could be replicated by AC. This would require Charter and Statute changes and might threaten charitable status if paid executives were to be trustees. However, we do recognise that small executive / non-executive boards are a tried and tested model in the corporate sector and the NHS, and undoubtedly have merit. Such unitary boards are not without their supporters among those we consulted, not least because senior executives are directors rather than the bifurcation on charitable boards between trustees who comprise the board and the paid executives. There are examples of chartered bodies, for example the BBC and universities which have unitary boards. Chartered universities have charitable status with governing bodies that include non-executive, senior executive, staff and student membership. While it would not be permissible under the current Charter for AC’s board to be unitary, the possibility could be kept open for consideration in any future Charter review.

10.35 A number of trustees are nearing the end of their periods of office so there could be scope, in consultation with WG, to reduce trustee numbers, if necessary, through natural wastage. However, demands on trustees are not likely to reduce in the short term. For example, we set out below some thoughts on the committee structure of AC, including the introduction of more committees. We suggest a significantly lower number of trustees would struggle to cover the necessary skills and expertise; encourage diversity; provide cover for absences; populate committees; and do all the things required of trustees who are, apart from the chair, currently volunteers. A number of interviewees have suggested that non-trustees with specific expertise could be co-opted onto various committees to supplement for skills gaps, and we agree with this (see p.44-46). However, trustees have responsibilities that co-opted members cannot have.

10.36 At the current time we would counsel caution in relation to the size of the trustee body. AC is not unusual, across the museum sector, in its trustee numbers, as the comparators below indicate. Indeed, diverse board-level expertise is often required in museum leadership, balancing responsibilities around public access, collections care, income generation and governance. This might not be achieved with a smaller number of trustees. Additionally, bigger boards have capacity to address diversity and regionality disparities.

- National Museum of Ireland 16
- National Museums Scotland 13
- National Museums NI 15

- National Museums Liverpool 14
- British Museum 21
- National Library of Wales 14

10.37 Given that flexibility already exists in trustee numbers, over time, our advice is that, while AC works through a significant period of change, the balance of risk favours retaining existing trustees at least until their periods of office expire. Rather than trustee numbers *per se*, at this time we think the emphasis should be on reforms to the appointment process as we set out below. Once WG and AC processes are harmonised and a skills, experience and diversity matrix has been developed, it would then be timely, with a new Chair and Chief Executive in post, to review the size and shape of the Board.

Recommendation 8: that, in the short term, priority be given to harmonising appointment processes and building a robust, diverse skills and experience matrix to guide board recruitment rather than an early reduction in trustee numbers.

Recommendation 9: that, in the medium to longer term, a proportionate board size is maintained, reflecting the broad range of skills required, diversity imperatives and other essential board characteristics and competencies. To this end (and consistent with board numbers on other WGSBs), board membership should not fall below 12 to 14 members.

Who should appoint trustees?

10.38 As noted above, WG appoints up to nine trustees and AC seven. In other jurisdictions it is more usual for government to appoint all trustees. However, as long as appointment processes are harmonised, with a common purpose of building a diverse, skilled and experienced board, we see some merit in maintaining the current arrangement. Some interviewees felt WG should appoint every trustee and some felt that AC should. All the trustees who commented on the matter were clear that, in practice, the appointing body was immaterial as, once appointed, all trustees are legally bound to owe a fiduciary duty to AC as a charity. Not all trustees were clear whether they were WG or AC appointed and we found no evidence of trustees being influenced by which body appointed them. We conclude that the appointing arrangements have an elegant symmetry, and that it is right for the elected WG to appoint the Chair/Vice-Chair and a small majority of trustees given the importance of AC to the people of Wales and the public funding involved. We do not see a compelling enough case to seek Charter/Statute changes and therefore do not propose any change in the current balance of appointments. The key consideration, rather than the appointing authority, is that appointing arrangements are coordinated with a view to making the best possible appointments with a clear vision of the duty of stewardship to AC.

Recommendation 10: that the current balance of trustee appointments between WG and AC should continue to be the case.

How should trustees be appointed?

10.39 Depending upon whether a vacancy is an AC or WG one, trustees are appointed via two different systems. WG applicants are public appointments made by the Deputy Minister on advice from an appointments panel following public advertisement. The panel includes an AC representative (normally in the past the President), an independent panel member and is chaired by a senior official. The chair/vice-chair panel includes a Senior Independent Panel Member. Following interviews, the panel submits a list of appointable candidates to the Deputy Minister, who makes the appointment. Applicants submit an application form, against a job and person specification set out in advance. AC has the opportunity to influence the contents of the specification. Applications are encouraged from less well represented groups and communities.

10.40 The AC process is similar and carried out in consultation with WG. AC has an Appointments and Remuneration Committee (see committee section p.43-46) but we found little evidence that it has actively sought to make appointments in accordance with an inclusive skills and experience matrix. Indeed, the Committee seems rarely to meet, although we note that AC has appointed an experienced new chair to lead the invigoration of the Committee. Given that AC is represented on appointment panels for WG trustee appointments it would be in the spirit of partnership for a WG official to sit on AC trustee appointment panels.

10.41 We understand the board recognises the need for more diversity within its membership. This begins by collecting data on the board's diversity which can be shared and reviewed internally. We make suggestions later on how the board can improve its diversity.

10.42 We would not assume to assign characteristics to board members without seeing data but, from our observations, there is a good balance between the two most common genders (male and female) and some further evidence of representation from people with protected characteristics. Like many boards, however, the trustees are not always representative of the communities they serve.

10.43 The key players in trustee appointments are the PT, PBU and AC. It is therefore important that they work together to create a board which reflects the people of Wales in all their diversity, in terms of protected characteristics, linguistic ability, geographical distribution and diversity of thought. Diverse boards avoid group think, are less likely to make category errors and provide role models since "you have to see it to be it". To avoid boards entirely composed of "usual suspects" from similar backgrounds who already have extensive board experience, it is important that credit be given to "lived experience" to bring a different perspective and leaven the mix on the board. We noted with approval some recent trustee appointments from refreshingly different backgrounds.

10.44 We have appended a check list to guide the nominations process in building a more diverse board (Annex 7). It is essential to work from a skills, experience and diversity matrix and to pay attention to lived experience as well as formal qualifications. This enables nominations committees to identify gaps in the skills and experience required on the board as well as diversity deficits. Interventions such as board "not quite ready" preparation courses (as used by PBU), board apprenticeships schemes, shadowing and building experience through co-optation to committees are all important aspects of building diverse boards,

10.45 Some interviewees felt that WG processes lacked transparency and that it would be preferable for panels to be chaired by the independent panel member referred to in 10.39 above rather than a senior PT official. We agree with this (although we appreciate the ramifications for other public appointments beyond our remit) as a protection for officials from any accusation of bias, and to emphasise the importance of the independent presence safeguarding the public interest. In doing so we emphasise that the role of the independent panel member would simply be to chair the panel. Officials would still be members to reflect ministerial priorities and provide divisional and portfolio insights to the panel. The only change would be that the independent panel member would be in the chair in addition to being a member. For the avoidance of any doubt, decisions on appointments would continue to be made by the Deputy Minister.

Recommendation 11: that WG appointing panels for AC trustees, including chair and vice-chair, be chaired by an independent panel member (or Senior Independent Panel Member in the case of chair/vice-chair), that a WG official sit on AC trustee appointment panels and that appointment processes between WG and AC be harmonised as far as possible, including the use of a co-created and shared skills, experience and diversity matrix.

How should trustees be rewarded?

10.46 The question of trustee compensation/remuneration arose repeatedly during our conversations. Some felt that it was right for the chair to be remunerated; others disagreed. There were differing views as to the level of remuneration, with the point being made that the level should not imply a significant executive role, but should be set at a level to attract a strong field. Others felt that the prestige of the role would in itself attract a strong field and remuneration should be reserved to promote diversity and compensate those who required their time to be remunerated.

10.47 There were two camps among those favouring remuneration. Some felt that all trustees should be remunerated for reasons of equity and avoiding assumptions that trustees could afford to donate their time. However, the majority view is that charitable trustees should not be automatically remunerated, but that remuneration should be available to encourage applications from members of groups under-represented for financial reasons, to support childcare or other specific costs and to compensate employers to release staff of working age.

10.48 We understand that the new chair will be remunerated on a *per diem* basis and that WG policy would currently preclude targeted remuneration depending on the needs of the successful candidate. Given that resources are limited, we believe a debate on whether targeted, rather than general remuneration, would be desirable, as a means to encourage a more diverse range of applicants. However, we accept that such a debate would come too late to affect the current recruitment as the posts of chair and vice-chair are about to be filled. The current time commitment for the chair is estimated to be two days a week. This could be reviewed in the light of experience given that the role is non-executive, but we appreciate that AC is a complex organisation and that there is much for the new chair to do, not least in the light of this report. However, it is not the role of the chair to manage the process of change operationally. The role of the chair is more high level and strategic, providing leadership to the board and holding the chief executive to account.

10.49 Practice across WGSBs varies with some boards being remunerated and others not. At the Higher Education Funding Council for Wales (which is not a charity) for example, the chair is remunerated at about £25k pa and the council members at around £5k. Trustees of Sport Wales and the Royal Commission on the Ancient and Historical Monuments of Wales (RCAHM) are remunerated. Our attention has also been drawn to legal and operational hurdles in relation to targeted remuneration as a positive action measure under the Equality Act 2010. Our purpose in raising the issue is to reflect comments from our interviewees and to emphasise that remuneration, while not a motivator for many charitable trustees, makes it practically possible for many from less advantaged backgrounds even to consider the possibility of applying to become a trustee.

10.50 The concept of unripe time is always present in relation to remunerating charitable trustees. Remuneration is the exception rather than the rule and must be enshrined in governing documents and approved by the Charity Commission. Paid trustees, should they so wish, have the option of declining payment, accepting it and donating it for example to AC as a charity, or paying it to their employer where they are employed outside the charity. It is for WG/AC to decide on the remuneration policy. Our concern is that barriers to the creation of a more diverse trusteeship should be removed, as far as possible.

Recommendation 12: that remuneration of trustees be supported, subject to Charity Commission approval, as part of a range of measures to encourage a diverse range of applications for trustee vacancies.

Recommendation 13: that, in line with current WG practice, the time commitment of the chair should be kept under review in the light of experience and that the chair should use the time to be high level and strategic rather than office-bound.

The officers

10.51 The officers currently comprise the President, Vice-President and the treasurer. As noted above, WG appoints the President and Vice-President and AC appoints the treasurer, in consultation with each other. Officers are appointed for four years with the possibility of re-appointment for a further four provided they do not exceed twelve years in total as trustees. The President and Vice-President are ministerial appointees, not employees, whereas the staff, including the executive head, are employed by AC, with a mixture of open ended and fixed term contracts of employment.

10.52 The appointment of President is a venerable one dating, like that of the National Library, to 1907, during which time only one woman has held the post. However, a number of interviewees have suggested change. The title of President is unusual; other museums have chairs. The title implies executive responsibilities and the appointment of a remunerated President with a two-day a week commitment indicates a significant role, which has the unfortunate potential to introduce overlap between presidential and executive head responsibilities.

10.53 We understand that the National Library has decided to continue with the title President, but we see little risk that a change of title will diminish interest in such a prestigious role at AC. We propose that the role is non-executive with the job of the chair being to run the board and to perform the other functions set out in the Large Charity Governance Code, especially to lead the board in setting the direction and strategy of the charity. The role description and remit of the Chair and Vice-Chair should be prepared in consultation between the PT, PBU and AC and, once agreed, appended to our proposed Partnership Agreement. In our interim report we proposed the change of name and were delighted that this was accepted and actioned for the current recruitment. We include our recommendation here for completeness.

Recommendation 14: that the President title is replaced by that of non-executive chair, as permitted in the Statutes, and the Vice-President title by that of vice-chair. [already actioned]

10.54 The Code also deals with staff/trustee relationships, requiring a clear statement of their respective roles. It provides that the trustee board should support, but also constructively challenge, the executive – and in particular its most senior officer. AC's Corporate Governance Framework (at para 7.4.13) does contain a section on relationships between trustees and staff, but, while it is unexceptionable, it is expressed in too general terms to be useful. For the future, the relationship between chair and executive head must be based on an unambiguous understanding of their respective roles. It is the function of the executive head to run AC, but they are always answerable to the board and to the chair. The chair would continue to be the main conduit to ministers, and have public-facing accountability requirements, and the chair would, as appropriate, share with the executive head the responsibility for being the public face of AC. The chair and executive head would work closely together, respecting and understanding each other's roles and responsibilities.

10.55 A number of trustees feel that the role of treasurer is now old-fashioned and potentially confusing with that of executive finance professionals. If there were a Finance Committee, it is argued, the chair of that committee should be the non-executive finance lead. Others feel that the role could continue with the treasurer being chair of finance. The treasurer currently chairs the Audit, Risk and Assurance Committee. This is not appropriate as he is closely involved with the finances of AC and signs the financial statements. The chair of audit should be at arm's length from spending decisions; the finance trustee lead should be separate from the audit chair. In the committees section below we propose the appointment of an independent (that is, non-trustee) audit chair. There seems to be a broad consensus, including from the post holder, that the role of treasurer be discontinued once the current occupant steps down.

Recommendation 15: that the post of treasurer be discontinued once the current post holder demits office and that the current treasurer should no longer chair nor be a member of the Audit, Risk and Assurance Committee and that the financial statements in future be signed by the chair rather than the treasurer, alongside the AO.

10.56 In this context we note that, while it has a competent finance team, AC does not have a professionally qualified finance director as required by Managing Welsh Public Money. AC does not have a comprehensive financial strategy. A key role of a finance director would be to develop such a strategy covering the whole AC economy. We note that the Chief Operating Officer is a qualified accountant but that role has a wide range of responsibilities beyond finance. We believe that the finance function should be led by a professionally qualified and experienced finance director, as would be expected in any large, complex organisation and as set out in Annex 4.1 of Managing Welsh Public Money relating to Finance Directors.

Recommendation 16: that AC takes steps to appoint a finance director and that an early task of the appointee be to lead the process of developing a robust financial strategy.

Chief Executive/Director General

10.57 At the operational level, the DG (who is not a trustee) leads and directs AC. The new chair of AC will have the responsibility of leading the process to fill the vacancy. The chair and appointment panel, working closely with WG, will need to ensure that a wide and distinguished field of applicants is attracted, and that the best candidate is appointed. In this context, it is important that the new chief executive fully understands the challenges facing AC and has the ability and empathy to work in partnership with others to deliver collective benefit to the cultural sector in Wales.

10.58 It is becoming more usual for senior appointments to be made on a fixed term basis to provide an opportunity for periodic mutual review. We therefore think it would be sensible for the replacement for the current DG to be on a fixed term, renewable basis. We do not specify the length of the fixed term as that should be left to AC, in consultation with WG, with a view to attracting the highest quality field. A number of interviewees suggested this and also suggested that the title director general is an outdated one. They would prefer “chief executive” as set out in the Charter. We concur and henceforth use the term chief executive (CE) unless the context requires the use of DG.

Recommendation 17: that, for future appointments, the paid head of AC should be entitled chief executive and appointed on a fixed term, renewable basis. [already actioned]

Accounting Officer and Additional Accounting Officer

10.59 The role of the AO inside government departments and executive bodies is a vital one in ensuring that public money is well spent. The AO is normally the most senior official of the body. The AO must keep proper accounts and records and safeguard assets, but also has to ensure that some fundamental principles are followed by the body for which the individual is AO: particularly, that it acts lawfully and complies with proper standards of regularity, propriety and value for money. This is a personal responsibility. Sometimes the AO will be concerned by what they are being asked to do, and the role will involve saying difficult things to those who set policy, whether ministers or boards. There is often a negotiation and a compromise. However, if an AO continues to believe that the actions of the minister or the board are contrary to the fundamental principles, the AO must seek a direction, and in the case of a WGSB, must report the matter to WG. This will absolve the AO from any personal responsibility, but the AO must then carry out the direction. Such a situation should be regarded as a last resort to be avoided if at all possible. That means that the board of AC needs to understand, recognise and respect the responsibilities and functions of the AO, and that the AO must not do anything which might look as if it weaponises those responsibilities and functions.

10.60 The Permanent Secretary is the Principal Accounting Officer with powers to designate a number of Additional Accounting Officers (AAOs). All the WG Director Generals have been so designated. AC's AO therefore has a reporting line on their AO functions to the relevant WG Director General as AAO. The whole ecosystem was helpfully set out in an Accounting Officer System Statement in 2020 [[Accounting Officer System Statement \(gov.wales\)](#)]. In the light of recent events, we have concluded that there may well be a useful enhanced role for AAOs, drawing authority from existing provisions of Managing Welsh Public Money, where the AO of a WGSB is compromised in some way. We consider this further in the Dispute Resolution section below.

Dispute Resolution

10.61 Prior to considering formal processes, we emphasise that, where possible, informal engagement and mediation are always preferable to formal processes, whether they be disciplinary, a grievance or whistleblowing.

10.62 An irreconcilable breakdown in relationships at the very top of an organisation is one of the most challenging scenarios a board can face, especially when complicated, as in the case of AC, by the need for WG to be involved owing to the public interest. In this section, we seek to learn from what has happened and put forward some ideas to minimise the chance of a recurrence, or to mitigate its impact should it occur. As we have made clear, we do not take sides and we make no attempt to adjudicate on the merits of the case; that is for other formal processes. Our concern is with process and procedure in an attempt to design a more resilient framework rather than an *ad hoc* response. It is of course easy to be wise after the event. We recognise how hard trustees, executives and officials tried to resolve the issues, but we do believe they would have been assisted by being able to draw upon a process designed before rather than during a dispute. We understand the need for confidentiality in relation to individuals and have, therefore said no more in a report which may be published than is already in the public domain through press articles e.g. in the *Western Mail* in March and December 2022.

10.63 We have been informed that the trustees had to design a senior executive grievance process because they did not have a fit for purpose process to fall back on. Now this process is in place, amended as necessary in the light of experience, the trustees should be better placed to deal with any recurrence. In general, we consider that internal processes should be exhausted prior to third party involvement, provided third parties such as a regulator, funder or government have confidence that grievances at a senior level are capable of local resolution. In the case of AC, AW also has an important role to play. It was their report on the 2020/21 AC financial statements which brought the issues to the attention of the Senedd. As a charity, AC's principal regulator is the Charity Commission. A number of our interviewees felt that the Commission could have intervened as a regulator at an earlier stage. The Panel Chair and Secretary therefore met officials of the Commission on 21 April 2023 to discuss the issues in general terms. For the Commission, AC is a charity like any other, notwithstanding its status as a WGSB. The Commission uses a risk-based assessment in its analysis of concerns raised and in holding trustees to account. Evidence of misconduct and/or mismanagement in AC would be required before the Commission could exercise certain powers available to it under section 46 of the Charities Act 2011. No evidence of misconduct or mismanagement had been found in relation to AC. The officials we met were confident that AC, with the support of WG, had the necessary skills in its trustee body to deal with the issues identified with no detriment to the charity. The meeting concluded that communications between the Commission and WG were capable of improvement e.g. by identifying a general point of entry for the Commission to WG. It was felt that the PBU was well placed to take on such a role. We have therefore included the proposal in our draft dispute resolution process below (para 10.68/Annex 5).

10.64 We can, however, understand that, as the major funder and partner of AC, it was inevitable that WG would need to become involved with a view to helping to seek a resolution. It was frustrating for WG when it discovered that, in practice, it had few levers to pull. Against that background, while re-affirming our belief that AC should be an independent chartered corporation regulated by the Charity Commission, we set out some ideas for a twin-pronged ministerial and AAO process for intervention where necessary and appropriate.

10.65 The immediate past-President kindly provided us with a copy of his terms of engagement which do contain provision for termination but not for suspension. We understand that contract terms relating to termination are likely to be ineffective since the Royal Charter does not confer such a power on Welsh Ministers. While chairs of public bodies often tend to feel they serve at the minister's pleasure, this cannot be translated into a formal power under present arrangements. A difficulty therefore arises when there are no "disciplinary" issues, but relationships have broken down. We are aware that WG is seeking to update the terms of engagement with the new Chair and we would expect the issue of suspension (should it ever become necessary) to be part of those discussions.

10.66 *Managing Welsh Public Money* provides in para 3.8.4 that, in defined circumstances, the AAO can remove the AO of a WGSB (the DG in the case of AC at the time). There are also provisions, as discussed above, for the AO to seek a direction from the chair and inform the AAO.

10.67 What seems to us to be missing from the procedure is the ability for the Deputy Minister to suspend the chair on full pay and for the AAO to take similar action in relation to the AO responsibilities of the executive head. It would be for the trustees as the AO's employer to decide, with legal advice, as to whether it would be tenable for the CE to continue in post with the AO designation withdrawn. The important point is that action should be coordinated to ensure equitable treatment and without apportioning any blame. The temporary removal of the chair and CE would provide the time and space for investigation to take place and avoid placing, in AC's case, trustees and senior managers in the untenable position that recent events have placed them.

10.68 A number of interviewees with knowledge of recent events have asked us to provide advice in case of a recurrence. We do so tentatively since we are not legally qualified and are aware that the ground has been well trodden over the past two years or so. However, we put forward for consideration at **Annex 5** some thoughts on elements of a process which we feel would be required to enable WG and AC to take the actions we believe would be necessary to mitigate the risk of any future breakdown of relationships at the very top of AC. Clearly, WG and AC would need to take professional legal advice, but we hope our ideas will be helpful in framing the creation of a process which, in future, would be available in advance of, rather than developed during, a crisis.

Recommendation 18: that, subject to legal advice commissioned by WG and AC, a process along the lines of that in Annex 5 be put in place as soon as practicable.

A senior trustee?

10.69 It is commonplace for public companies to have senior independent directors (SIDs), and they are mandated on NHS boards. They are increasingly being appointed by universities. The role of the SID is to be a senior, respected board member whom other board members can approach for advice and to be a recipient of complaints or concerns relating to the chair and vice-chair. We suggest that AC might consider such an appointment if a suitable board member is available and willing to accept it. The senior trustee (ST) (a title we use since all the trustees are independent and non-executive) would be a "backbencher" but with the standing to be a committee chair or an officer. We see merit in the ST having some involvement in the appraisal process of the chair, for example by briefing the relevant officials, having taken soundings from

trustees and being present for the appraisal discussions. This would emphasise partnership working and give the trustees a sense of ownership of the appraisal process for their chair. We propose that the nominations committee or equivalent of AC should recommend to the board the appointment of an ST, having invited expressions of interest from eligible trustees but that, in the interest of partnership working, the PT be kept informed and consulted prior to the appointment being made. Appointment as ST would be co-terminous with appointment as a trustee and the ST would be appraised by the board chair as part of the general trustee appraisal process.

Recommendation 19: that an experienced, respected trustee be appointed through an AC board nominations process (including consultation with the PT) as senior trustee and that WG consider including the senior trustee in the appraisal process for the chair of trustees.

Board committees

10.70 Following the appointment of a new Corporate Governance Manager, the board is considering reviewing its committee structure. With a new strategy in place, this is an opportune time to review the structure in order to ensure that it underpins the pillars of the strategy. The key committees currently are the Planning, Performance and Resources Committee (PPRC) which comprises all trustees, the Audit, Risk and Assurance Committee (ARAC), a Research Advisory Committee and an Appointments and Remuneration Committee (ARC). We have observed meetings of PPRC and ARAC.

10.71 A minority of trustees feel PPRC is useful in order to enable all trustees to have a similar level of financial knowledge and information. The majority, however, feel that it is an odd governance construct, since in essence it is another board meeting held in private. In our view, the board might be better advised by a smaller finance committee with some co-opted members added for their expertise. The other key enablers of strategy: people and infrastructure, might also be represented by their own committees or via a single streamlined resources committee. We would favour the former, given the importance of physical and digital issues (and the balance between them) combined with a need, in our limited exposure to the board, for people issues and the HR function to be more visible. Although it could be argued that the Board would then have too many committees, the necessary focus would be brought to bear on people, finance and infrastructure and the expertise of trustees in these areas would be optimised. PPRC could be stood down, and instead the new finance, people and infrastructure committees would report to board meetings after their meetings. The committees should be chaired by trustees but with executive membership and involvement and expert external co-opted membership.

10.72 Alternatively, provided it has a finance committee and ARAC, the board could adopt a more flexible approach than creating more standing committees, for example through the use of more delegated authority to executives and the creation of task and finish groups with trustees, executives and independent experts. These would deal with particular issues and then disband. At least in the short to medium term we favour more formal arrangements and commend them to the trustees who can keep the matter under review in the light of experience. We would counsel the trustees to start making progress now rather than waiting for new officers and a new CE.

10.73 ARAC has until recently had two very experienced external members and is chaired by the treasurer (we have already proposed this should change). Some feel ARAC should revert to the previous practice of being chaired by an independent (that is, non-trustee) member – this is, indeed, required by the WG Framework and preferred in the Regulations. We believe that an independent audit chair, alongside the appointment of a senior trustee would help provide confidence to trustees and stakeholders that, in the event of governance challenges, mechanisms were in place for people to raise concerns.

10.74 We observed meetings of ARAC and PPRC in late February although our observers were not able to observe all of PPRC since it overran its allotted time considerably. Both meetings were chaired by the treasurer which would not recur if our proposals are approved. We were encouraged by the open, inclusive nature of the discussions and by the progress already made on some of our suggestions in our interim report. The quality of the papers and the discussion was generally high and we were pleased to see the presentation of a detailed operational plan.

10.75 There is a Research Advisory Committee which seems sensible but no parallel committee to cover education, outreach and widening participation. It would seem appropriate to create such a committee to sit alongside research and innovation. The committee would help AC to discharge the duty under Section 6 of its Statutes to consult with the public.

10.76 In general, we would favour the cooption of non-trustee members to all board committees. This should allow greater diversity (including diversity of thought) to inform the work of the board and should bring in expertise from people who might not be willing to become full trustees. In some cases, it may also allow potential future trustees to have exposure to the board's work. Co-opted members would be non-executive, and care would need to be taken to describe their remit e.g. they might have speaking but not voting rights. Numbers of co-opted members might be limited to one or two per committee to retain the appropriate balance of membership. These issues should, in due course, be codified in the board's standing orders

10.77 We have been told that ARC is currently not meeting. In our view nominations and remuneration are different things – and the committee structure set out in Regulation 17.2 reflects this. We appreciate that a minority of appointments to the board are controlled by the trustees but nevertheless there is important work to do in partnership with PBU and the PT. As proposed above, the Nominations Committee, chaired by the board chair, should develop, in addition to the issues discussed in the EDI section below, a skills, experience and diversity matrix to map out the following areas:

- succession planning;
- diversifying the board in terms of protected characteristics, geography, demographics, diverse backgrounds and thinking, as well as demographic data;
- identifying the skills and experience required by the board and a gap analysis.

10.78 The matrix can then be discussed with WG in terms of advising on the drawing up of job and person specifications for vacancies in WG appointments. There will remain a need for a remuneration committee, probably meeting once annually since much executive remuneration is outside the control of AC. The board chair should be a member of this committee but not chair it.

Recommendation 20: that the board review its committee structure taking account of our advice. In particular, we advocate the creation of a finance committee to replace PPRC, a people committee, an infrastructure committee and an education and outreach committee, the appointment of an independent chair of ARAC and the replacement of ARC by separate nominations and remuneration committees, with the nominations committee, but not the remuneration committee, chaired by the chair of trustees.

Recommendation 21: that all committees should be strengthened by co-option.

Head of Corporate Governance

10.79 We are pleased that a Corporate Governance Manager has been appointed to support the board and improve corporate governance. However, we have also identified a need for the board to be supported by a more senior role, akin to a company secretary, who would have a duty to advise trustees about compliance and the law, as well as ensuring that proper practices are followed. It is of vital importance that the person

who acts as board secretary is a strong, authoritative and credible source of advice to the board, without fear or favour. The secretary needs to operate at a high level in the organisation in order to understand and interpret it, but must not be captured by management. The secretary should be the board's person but also work closely with the chair and CE. While it can be appropriate for such an appointee to be located within the executive for pay and rations, they must be seen to be independent and free to provide objective advice to the board.

10.80 The secretary should be well placed to lead the nominations processes, take forward committee reforms and ensure high quality recruitment (where applicable), induction, development and appraisal for board members. We are pleased to see that, in the meantime, the Governance Manager is actively working with trustees to implement reforms.

Recommendation 22: that a board secretary should be appointed with a contractual accountability to the chair and, via the chair, to the board for corporate governance.

Board meetings

10.81 We are pleased to see meetings taking place again in person or in hybrid mode. We were very surprised to learn that, from June 2021-March 2022, the board was conducting its business via email and without proper debate and discussion. AC's website records that the 23 September 2021 board meeting "did not go ahead and no minutes were taken" and on 16 December 2021 "the meeting was conducted via written communication, and no minutes were produced". We understand that this was decided on the basis of legal advice. However, advice is simply that; it is for the board to decide whether and how to meet. In our view it is self-evident that the more difficulty a board faces, the greater the imperative for it to meet and seek solutions. Such meetings can, of course, be held virtually as they were during the pandemic as long as proper debate and decision making takes place. This is fundamental to sound governance so, while we sympathise with the challenges the trustees faced, we take the view that they should have continued to meet and conduct their business, especially since the lack of board meetings meant that committees also failed to meet. Our conversations indicate that a significant number of trustees share this view and regret that the meetings were not held. Others feel that they had to follow legal advice and that their hands were tied.

10.82 We were also told that groups of trustees held numerous meetings whose status was not clear and whose deliberations were recorded *post hoc* by a firm of solicitors. This was confirmed at the ARAC meeting we observed. Our dispute resolution proposals should, if implemented ensure that there would be no repetition. All trustee meetings should be attended and recorded by the secretary. Their status should be clear, and the board should approve them taking place and receive reports from them. The need for confidentiality is understood but it must be within a transparent framework.

10.83 We commend the practice of holding board meetings in different sites. The board should take every reasonable opportunity to build strong relationships with the SET e.g. through away days and social events, especially since charitable boards do not tend to have the same mix of executive and non-executive membership as unitary boards such as in the NHS or corporate boards.

10.84 The lack of board meetings at a crucial time and the cancellation of PPRC and ARAC meetings (at a time when audited financial statements needed to be considered) are indicative of a board under stress. There should be a forward programme of meetings that is strongly adhered to, together with a schedule of business drawn up at the beginning of each financial year, so that executives and trustees know what will be considered at each meeting well in advance. These measures should be accompanied by a scheme of delegation setting out delegations from the board to committees and officers. Decisions should be taken within delegated remits and reported as necessary to the board. Repeated discussion of the same items in

committee and board should be avoided as far as possible. Papers should be concise with a standard cover sheet indicating:

- the author and contact details;
- an executive summary;
- any previous consideration of the matter;
- recommendations to the board;
- concise discussion with options with additional material in annexes;
- implications for other policies and strategies.

10.85 We have been pleased to note that a new format has been implemented recently.

Recommendation 23: that a scheme of delegation be drawn up and approved as soon as possible, and that a schedule of forward business is provided to the board at the beginning of each financial year and kept updated.

10.86 The first trustee meeting we observed in September 2022 was reasonably effectively chaired, despite the technological challenges of a hybrid meeting. The meeting felt inclusive with much evidence of supportive challenge with everyone being encouraged to contribute. Contributions were well-informed, articulate and thoughtful. We were disappointed, without consultation, to be disinvited from a workshop discussion concerning the museum development in North Wales. It would have been very interesting to see how the trustees and SET interacted in such discussions, especially considering we made the effort to attend. To our mind, this indicated a certain defensiveness, especially as the reason we were given for being excluded was that SET members would feel constrained from speaking.

10.87 The second meeting we observed in December 2022 was chaired effectively by the Vice- President. Professional event organisers had been drafted in to manage a hybrid meeting which worked well. Our interim report was well received without defensiveness and with a clear commitment to implement at pace. Relations between executives and trustees seemed noticeably more relaxed. Business was conducted expeditiously with good discussion and a wide range of contributions. We noted that, in both meetings we observed, there was an absence of financial reporting to the board other than an announcement of the draft WG budget settlement at the December meeting.

Agenda and paperwork

10.88 In addition to the points above, some trustees feel too many papers are offered for noting rather than decision. It is also the case that Regulation 5.2 appears to give too much control of the board agenda to the CE rather than to the chair and other board members. The agenda setting process should be clearly set out partly via the schedule of business and partly via an agenda setting meeting between the chair and vice-chair, the CE and the secretary (once appointed) well before each board meeting. It is important that the board has control over what they discuss and how they discuss it. We are pleased to note that, although overdue, an application is to be introduced for papers to be accessed electronically.

Challenge

10.89 Constructive and supportive challenge is a key role of trustees. Some executives feel that trustees act too much as cheerleaders and do not provide effective challenge. Some trustees feel that they are “tolerated” by the executive and that some executives can be over-sensitive and defensive when challenged. No doubt this has been exacerbated by recent events, as people feel they have been “treading on eggshells” in their anxiety not to make a difficult situation worse. Most of our interviewees feel that the resumption of in person meetings will go a long way towards building a culture where challenge is welcomed and acted upon. It is vital that the trustees and SET have a relationship of mutual trust, confidence, openness, receptiveness and constructive challenge.

Recommendation 24: that, in the interregnum between new chair and CE appointments, the board and SET hold a workshop to learn lessons from recent events and rebuild their relationships.

Evaluation and reflection

10.90 The board and committees, supported by the Corporate Governance Manager, should take regular opportunities to evaluate their performance e.g. through questionnaires and governance reviews. In fact, assuming WG independently annually checks internal controls, governance should be among the checklist of randomly tested controls. We note that AC's internal auditors, having paused a governance controls review, will now carry it out. A process of self-assessment of board performance on an annual basis, as well as external evaluation on a frequent basis (say, every two/three years), should be set out in the Partnership Agreement, ideally with a common approach for all arm's-length bodies. In our understanding, most trustees have never been part of a review of board effectiveness.

10.91 Occasionally, and at least twice a year, a few minutes should be taken at the end of meetings to reflect on the quality of the meeting and its culture. Care needs to be taken to avoid re-running the arguments; the objective is to reflect upon the quality of discussion and whether improvements could be made rather than re-visit decisions.

Recommendation 25: that appropriate arrangements for reflection, evaluation and review be put in place as soon as practicable.

Induction, development, mentoring and appraisal

10.92 Induction, development, mentoring and appraisal are all important elements of board effectiveness. A structured induction should be provided for new trustees with refreshers as necessary. Development opportunities should be provided and trustees kept well informed of training events. New trustees should be assigned a mentor to help them settle in. Appraisal is the contractual responsibility of the chair and should include at least an annual meeting with the chair (or vice-chair if necessary) to set objectives and receive mutual feedback.

Recommendation 26: that the chair and Corporate Governance Manager put in place appropriate induction, development, mentoring and appraisal processes in consultation with the board.

Strategy development and delivery

10.93 AC's Strategy 2030 has, as previously noted, been praised by a number of stakeholders for the inclusive nature of the process which led to its adoption and its alignment with WG's Programme for Government. Perhaps because of the pandemic and recent events, however, the high-level ambitions of the various pillars of the strategy have not been accompanied by an action plan with clear targets and deliverables. It has therefore been difficult for the trustees to monitor the success or otherwise of the strategy. We were, however, pleased to note that a comprehensive action plan was submitted to the February 2023 meeting of PPRC.

10.94 There are usually three drivers of strategy renewal or refresh; the appointment of a new CE, a severe shock to the organisation or the effluxion of time. Given that the first two apply to AC, we expect that the incoming CE will wish to refresh the strategy. The current strategy has seven years to run and its high-level formulation gives it flexibility.

Recommendation 27: that any strategy refresh should continue to be accompanied by SMART (specific, measurable, achievable, relevant and time-bound) objectives in order that trustees, WG and stakeholders can monitor progress and exercise proper scrutiny.

Partnership related governance

10.95 AC's partnerships are considered in a later section. Here we wish to refer to the governance arrangements for a number of key areas where cooperation is crucial, namely the Historic Wales Partnership, the Museum of North Wales and the National Contemporary Art Gallery Wales. In each of these areas it is essential that the partners work closely together to deliver a shared vision alongside timely delivery, at a high quality, and within budget. Some interviewees and stakeholders shared concerns around governance on the basis that they feared competition rather than collaboration and a provider-driven, rather than client-led, approach.

10.96 In the case of the Museum of North Wales, concerns remain as to how the whole of North Wales can be interpreted and what the effect would be on local museums from Anglesey to Wrexham with their very different cultures, history and traditions. The development of the Museum for North Wales is now being led by WG, while the development of the National Slate Museum in Llanberis is being led by AC with an independent chair. The Historic Wales Partnership is felt to have been disappointing as a partnership vehicle with little to show so far. As far as the National Contemporary Art Gallery Wales is concerned, there is a danger that it might face competing pressures in relation to collection and display policies.

10.97 In the voluntary sector people sometimes talk about the "Cutty Sark problem": if you are a Trustee of the Cutty Sark then your moral and legal duty is to the Cutty Sark rather than, say, the Mary Rose when in reality it would be preferable for a duty to be owed to all historic ships. Similarly, there is a risk that organisations such as AC, the National Library and Cadw might find it necessary to put their own interests ahead of those of the partnership.

10.98 It is therefore essential, in our view, that transparent governance arrangements with an independent component are put in place as early in the genesis of important national partnerships as possible. We make no recommendation here since only AC is within scope for us but do wish to register the point. In all such partnerships it is vital that effective project management and oversight arrangements are in place; the new chair and CE of AC will need to assure themselves on this point.

11. Equality, Diversity and Inclusion

11.1 From the outset, the importance AC and the PT attaches to EDI was emphasised to us. In addition to our own experience, therefore, we were delighted to be able to co-opt Professor Aaqil Ahmed as a panel member specifically to advise on EDI issues both internally in AC via its policies and practice and externally via its exhibitions, interpretation, education and outreach.

11.2 Professor Ahmed reviewed documents and spoke to staff and stakeholders. His full notes will be made available to the Head of HR at AC. In this section we focus on AC's Strategic Equality Plan 2022-25 [[Strategic Equality Plan \(museum.wales\)](#)], on Professor Ahmed's advice and on our stakeholder meetings. In keeping with his advice that EDI should be embedded across organisations and not confined to HR, we have already referred to EDI issues in relation to building diverse boards and provided a check list at **Annex 6**. As well as EDI we also refer to "belonging" since EDI experts increasingly talk about belonging as something that goes beyond inclusion: inclusion gives you a seat at the table but belonging gives you a voice. In the Environmental Scan above we provide demographic data since we believe that AC could do more to track demographic change and respond to demographic developments in terms of reaching out to all. EDI is an area of constant change. The evidence base to inform policy and approaches to creating as inclusive an organisation as possible needs constant refreshing to avoid exclusion.

AC's Strategic Equality Plan 2022-25 (SEP)

11.3 A pillar of AC's 2030 strategy is that it "belongs to everyone" and should ensure "everyone is represented". In its current SEP, AC states that it is fully committed to delivering its general duties under the Equality Act 2010 as well as those specific to Wales, but it also endeavours "to go beyond compliance". The SEP "goes hand in hand" with AC's Widening Engagement Action Plan which derives from joint work with the Arts Council of Wales (ACW) on widening engagement. We were encouraged at the linkage between corporate strategy and EDI, the Anti-racist Wales Action Plan and AC's developing work on LGBTQ+. AC is also in the process of implementing its Welsh Language Action Plan. A monitoring group is measuring progress against the seven objectives of the SEP, namely:

1. We will recruit and retain staff and volunteers to be representative of the population of Wales;
2. Support all employees and volunteers to achieve their personal and professional ambitions and remove the barriers to them achieving these;
3. Ensure that everyone has equal opportunity to participate in and access our services;
4. Ensure equality is embedded into the procurement process and is managed throughout delivery;
5. We recognise our unique role in representing and celebrating the histories and creativity of Wales' diverse communities;
6. Ensure that strategic leadership is accountable and that governance arrangements are in place, ensuring standards are high and consistent across all areas of responsibility;
7. Continue to reduce the pay gap between men and women.

11.4 Each of the objectives is accompanied by an action plan with key milestones but there is no indication of who is responsible for delivery or by when. We have not had the opportunity to review AC's progress on each of these objectives. However, we suspect that, if the first objective is typical, there is some distance to travel. A dashboard of people data was presented to the meeting of PPRC in February 2023. There are currently 729 staff (584 full-time equivalent).

11.5 Of these:

- 55.5% of staff are female, 44.2% male with 0.3% preferring not to say. Males are over-represented at the highest and lowest grades
- 44% of staff are over 50, 42% 31-49
- 68% declare as white, 2.2% as non-white and 29% have made no declaration

- 2.51% declare a disability
- 25% are proficient Welsh speakers, 5.6% advanced and some 22% have some facility in Welsh.

11.6 In terms of applicants:

- 50% are male, 38% female, 9% non-binary and 3% not declared or prefer not to say
- percentages for disabled applicants are not provided but a pie chart indicates around a quarter of applicants declaring a disability
- 46% declare as heterosexual, 37% as other sexual orientation and 17% make no declaration.

11.7 AC is aware that it has some distance to travel to convert applications from some less well-represented groups into appointments. The Head of HR is actively considering interventions to improve the position.

11.8 The SEP reflects WG policies, is embedded in strategy, fully supported by trustees and senior management and, in general from our conversations, has support as well as challenges among stakeholders. We are not as clear as to how well the plan is resourced and how embedded it is across all sites. We think the general message from stakeholders is a recognition that AC is committed to the agenda but has tended to focus on Black Lives Matter (BLM) and decolonisation. Some of those Professor Ahmed spoke with, or whose views were reported to him, clearly feel little affinity with AC as it is configured. Access for others is restricted through disability, neurodiversity, poverty (although the Museum is free, travel and subsistence are not) and others are alienated - for example, working class white boys. AC is working hard to counter these inequalities, but the need is great and resources limited. We also picked up a feeling among some stakeholders that AC should listen to them more rather than impose its own solutions.

Demography

11.9 The demographic data in the environmental scan (p.14-16) demonstrates the huge range of ethnicity, faith and no faith and disability in Wales. No less than 22% of the population describe themselves as living with a disability. These have, many forms, both seen and unseen. We were very encouraged by the willingness of Public Health Wales, through social prescribing and other interventions, to work actively with AC to support access.

11.10 We detect a lack of understanding in AC of the demographic change in Wales and the geographical composition of culturally diverse groups in the country. It is argued that because admission is free visitor data cannot be gathered at a fine-grained enough level. In our view ways and means need to be identified to enable AC to get a better picture of the diversity of its visitor base.

11.11 At a more general level, as AC considers the major works at the Slate Museum and other investment in its estate, the objective of universal access should be a key ambition. Universal access, at its very core, applies not only to physical access, but also to the accessibility of content and services, including those on-line. Quiet areas, sensitive interpretation reflecting neurodiversity, facilities for religious observance and dietary requirements all contribute to the sense that AC really is for everybody.

11.12 In later sections on partnership and society in this report, we consider the importance of AC's engagement with excluded groups, and the need continually to sense-check exhibition policy, particularly where permanent exhibitions are being re-developed, to ensure they reflect all experiences.

11.13 Decolonisation so far has been seen as slavery related and exhibitions, such as the one on Picton, are a great indication of what can be achieved working alongside affected communities. However, for other diverse groups, this is not a priority and does not reflect their experience. Decolonising should be extended to look at the British Empire globally and include the Asian community in particular. As an illustration of this, we were very interested by Professor Ahmed's findings from discussions with people of Asian and

Muslim backgrounds. We recognise that work is under way to develop new displays during 2023-25 in support of WG's Anti-racist Wales Action Plan. The work of the Decolonisation Working Group has also been brought to our attention and we are encouraged that AC will develop its decolonisation work with a wider range of communities.

11.14 Some of the comments are as follows:

- "They are not easy to get to, some are miles away and even within Cardiff there is a cost because of transport etc."
- "I go there with my children, but I don't see people like me. I have accepted I won't see myself in the museums but as someone who is training to be a teacher, I want the kids I teach to be inspired and represented by the museum."
- "I have no idea what's going on inside the buildings, there is no connection at all."
- "Everything seems to be based around BLM, but I am not black. What about me?"
- "The atmosphere isn't great, it's quite standoffish. The café is quite poor as well and in general it just all feels very white and traditional. There just isn't enough diversity."
- "Make it super welcoming – prayer rooms and halal food so we can make a day of it. Accessing a room there is so difficult – I asked once and ended up just going to the university as it was less fuss."
- "Indigenous costumes and clothing of the migrant communities that make up Wales should be kept and displayed."
- "The collections need to represent us more – the Getty collection has a collection of photos of the first Mosque on Peel Street, maybe that should be bought."

11.15 These are a snapshot rather than a scientific survey, but these comments are very helpful in illustrating the views of individuals for whom AC is clearly not delivering. There are other communities, too, to whom AC should reach out – the Polish community and the Gypsy/Roma/Traveller community, for example. We would also like to see increased effort to make AC a welcoming place for people with neurodiversity.

Governance and management of EDI

11.16 It is important to have leadership and focus for EDI e.g. through a board champion and professional staff, but it is also vital that the commitment to the SEP is reflected across AC sites and all parts of the organisation. Training and development are critical; including unconscious bias, understanding privilege and workshops/networks designed to gain greater understanding of the needs of diverse communities.

Recommendation 28: that a board champion is identified for EDI and that EDI features as a standing agenda item on each board and committee meeting.

Recommendation 29: that the Strategic Equality Plan action plan includes timelines and responsibility for delivery of the various actions.

Recommendation 30: that, working with local communities, decolonisation should be further developed beyond slavery and BLM to embrace the effects of the British Empire on wider populations in Wales.

Recommendation 31: that greater account be taken of demography in developing plans and actions.

Recommendation 32: that training and targets be more widely deployed, including at board level e.g. workshops on demographic literacy and unconscious bias.

Recommendation 33: that AC be encouraged, building upon its existing activity, to work in partnership with Public Health Wales, the wider NHS and the voluntary sector to improve access for people living

with disabilities and adapt interpretation and the Museum environment accordingly. A commitment to universal design in all new AC projects would be important in this regard.

12. Partnerships and Relationships

Why partnerships?

12.1 The development of partnerships with those outside AC, and the fostering of good relations with the wider community, are important both for AC and its partners. For AC, they raise its profile, attract new audiences and bring more footfall and more revenue; and by bringing in new experience and expertise, they are also a challenge to fixed ways of doing things. For the external partners, there is great benefit in being able to share the expertise and the cultural enrichment that AC brings.

12.2 AC told us that it has around 200 partnerships, and partnership is mentioned frequently in AC's Operational Plan. However, it is clear that the depth and quality of partnerships vary greatly. A strategic approach to building partnerships has not always been apparent: one board member told us that there was a sense that AC had been "collecting MoUs" for the sake of doing so. Amassing more partnerships should not be a goal in itself, not least because, as we were told, it is important to balance maintaining existing partnerships and developing new ones. Effective partnerships will be genuine, well-structured, never forced and with clear benefits for both parties. We appreciate that this is recognised in AC and that there is progress in the direction we favour.

12.3 There will be many ways in which effective partnerships can be created and nurtured. For example, the proposals we have made elsewhere for widening the board's committee structure by bringing in more co-optees may be a useful way to strengthen key partnerships: a headteacher might be co-opted to the appropriate board committee so that the relationship with schools is deepened inside AC. AC needs clear thinking about what partnership is for and how it can add value. This will entail the development of a new strategy for partnerships and community engagement, driven by a member of SET and a board champion. We hope that what we say in this report will inform that process.

Recommendation 34: that, building upon strategic partnership activity that has worked effectively, AC develop a focussed strategy for partnership and community engagement utilising the new outreach committee we propose above.

Partnership with the public in Wales

12.4 AC's most important partnership and relationship is with the Welsh public. It is their collection and their museum, and they should all feel welcome and included whatever their ethnicity, class, political views, age, gender, sexuality or ability. This means that AC needs to continually examine who does not come to its sites and does not feel welcome and implement policies to reach out to them. Much has been done, quite rightly, to welcome people from minority ethnic groups or people with disabilities – but AC also belongs to the Brexit voter from Abertillery, the farmer from Radnorshire and the supermarket-worker from Rhyl.

12.5 The need to work with, and to represent, all Wales's communities is strongly felt among trustees and staff at AC. In particular, there is a recognition that AC's sites are very far away for many audiences, especially those in North and Mid-Wales, and that there is a very common perception – which we frequently encountered – that AC is too Cardiff-centric and that, despite being a *national* museum, it offers little to Meirionnydd or Powys or Blaenau Gwent. To do so effectively of course needs resources, as well as the time to properly listen to those communities.

12.6 A strong partnership with the Welsh public implies a widening of access in the broadest sense with the attempt to bring into AC as many as possible of those who are currently absent and to bring AC to people where they are. This is what one board member described to us as "cultural democracy". Within the sections of this report relating to EDI and society, we make a number of recommendations that could further

enhance AC's partnership with the Welsh public, including through digitisation and access to collections in community settings.

12.7 Digitisation is not the only route to take AC to the people, however. A trustee described a "low tech" intervention involving experts taking objects to communities where they are relevant and talking about them with local people in community facilities, in partnership with local councils and voluntary organisations.

Recommendation 35: that AC examine how it can enhance and embrace cultural democratisation and reach out to people who do not at present engage with it, and that it redoubles its efforts to become a museum for the whole of Wales.

12.8 There is already much evidence of excellent work by AC with third sector and community groups, reflecting the second pillar of its 2030 strategy to develop "community partnerships across Wales". Examples mentioned to us included AC's work to expand engagement with young people through working with Children in Wales and the Sub-Sahara Advisory Panel, and its work with organisations like the Alzheimer's Society, Race Council Cymru, Jukebox Collective, Mudiad Meithrin, Flying Start, Mentrau Iaith and Llamau. These organisations work across Wales, but local organisations are also important partners. Community outreach is more obvious in some AC sites than others – we were impressed by the community garden project in Swansea, for example, and we are aware of excellent work with Innovate Trust at St Fagans and Cathays Park.

12.9 AC's work with volunteers is also excellent: it has on several occasions (most recently in 2022) met the standard for the UK-accredited Investing in Volunteers accolade. It has also worked well with the Welsh Council for Voluntary Action (WCVA) over a number of years. An example cited to us was the recruitment of volunteers to help with the St Fagans Food Festival. We understand that AC has also shown a very positive approach to working with disabled and homeless volunteers. We were told that the pastoral care for volunteers was excellent and that AC is always prepared to learn how it can work better with volunteers. We applaud what has been achieved to date.

Recommendation 36: that AC should further invest resources in developing the skills of volunteers, especially building on its work to encourage the young and those facing disadvantage to volunteer.

Staff as partners

12.10 For SET and the board, the second most important relationship is with AC's own staff. During our visits to all seven AC sites, we met enthusiastic and positive staff at all levels, and we have no sense that our impression of an engaged and committed workforce is mistaken. We were also told by the trades union representatives we met that the difficulties in the past before the Thurley Report were now over and there was a positive relationship between management and unions – something confirmed by the head of HR at AC. There is greater transparency in the relationship, and a willingness to see common purpose in supporting AC – doing things *with* staff, not *to* staff is management philosophy. Developing this good relationship with AC's staff is an opportunity that we hope the new chair and CE will regard as a priority.

12.11 There is one area, however, where the new chair and CE will have a particularly important role. That is to remedy the damage that has been caused to some staff as a consequence of recent events. We witnessed this ourselves – good staff members who have felt that their personal professional reputation has been damaged through no fault of their own. Others have no doubt been distressed by the events swirling around them and over which they had no control. A healing process will be necessary.

Recommendation 37: that fostering good relations with staff should be a priority for the new CE, supported by the chair and the trustees, with particular attention to healing damage to morale caused by recent events.

Public sector in Wales: Welsh Government and Welsh Government Bodies

12.12 As previously noted, the idea that there should be a One Wales Public Service has been part of WG thinking for some time and appears again in the 2021 Programme for Government. The basic concept is that all parts of the public sector in the small polity of Wales need to work together so that resources are not wasted and better outcomes are delivered for people. Across the wider public sector, AC has a small but significant role in that Welsh public service. It already works well with many other parts of the public sector, and it shares the ambition of achieving better outcomes for the people of Wales. In this part of our report, we examine what else it could do.

12.13 One excellent example of public service working together and with other partners is of direct relevance to AC: the Slate Landscape Group brought together AC, Cadw, RCAHMW, Gwynedd County Council, Snowdonia National Park Authority, Visit Wales, the Welsh and UK Governments and private operators. They worked together successfully to obtain World Heritage status for the Slate landscape of North West Wales, showing what partnership can achieve. This is One Wales Public Service operating at its best.

Welsh Government

12.14 The primary formal partnership of AC is with WG. The history of the relationship has been difficult since before the Thurley Report, having deteriorated during the period of difficult industrial relations. Relationships have improved recently, but we are aware that many tensions remain. Elsewhere in this Report we deal with the governance arrangements and the formal ways in which AC and its principal funder should interact, with more frequent dialogue and mutual respect. Here we simply emphasise the importance of this relationship and the opportunity for it to be reset with the imminent change in leadership at AC. The relationship should be one of partnership, trust and mutual respect, as Thurley recommended. Micro-management and excessive control on the one hand, and avoidance of accountability on the other, should have no place in a well-functioning relationship.

Other Welsh Government cultural bodies

12.15 There are four other cultural bodies with close relationships with Welsh Government: National Library of Wales in Aberystwyth, set up at around the same time as AC and governed in a very similar manner; Cadw which is directly within Welsh Government and which owns and/or manages historic buildings and sites across Wales, as well as having responsibility for scheduling monuments and listing buildings; Arts Council of Wales, an independent charity established by Royal Charter and therefore more independent from Welsh Government but substantially funded by them; and the Royal Commission on the Ancient and Historical Monuments of Wales (RCAHMW), established by Royal Warrant but within Welsh Ministers' control under a Framework Agreement and remit letter similar to those of AC. All these bodies have close relationships with AC. The only tailored review in Wales to date has been of the National Library. This recommended that the Library should further develop its relationship with AC (and other relevant culture and heritage partners) by establishing a memorandum of understanding that would address collection policies, and share expertise with regards to fundraising, marketing and engagement. That recommendation was accepted and progress has been made as a result.

12.16 AC and the National Library now work together in a number of areas to mutual benefit. Examples include joint planning for the National Contemporary Art Gallery Wales; cooperation on digital participation; cooperation on storage; and collection exchange for exhibitions. They have also previously tendered together for internal audit services. In the past, before the difficulties arose in AC, the Presidents and Chief Executives of AC and the Library also met regularly. However, the relationship does not seem always to

have been easy, with the two organisations seeing themselves as competitors for funding. There has also been a long-standing grey area in respect of responsibility for art collection between AC and the Library, and there are some parts of AC's collection that might have a better home in the Library: for example, the photographic collection of AC, which is not on display, might be better placed in the Library's National Collection of Welsh Photographs.

12.17 Cadw and AC signed an MoU in 2021 to commit to closer working on joint projects. Internal issues in AC have meant that this has not made as much progress as hoped. We believe there are considerable opportunities for future closer working. In particular, as we amplify later, Caerleon and Blaenafon are sites where Cadw and AC need to cooperate better. The commitment to do so is contained in the 2021 MoU. Visitors have no interest in the fact that different institutions manage different parts of the sites; they need a seamless offering. To make progress at these sites, high level commitment and a willingness to allocate staff and resources towards a joint approach are needed, even if this impacts on organisational identity. Compromise will be inevitable. We note that the immediate previous President of AC has been appointed by WG to conduct a review of Cadw's governance and the wider provision of public heritage services in Wales.

12.18 At SET level, we were told that relations between AC and the Arts Council of Wales had become closer and more cooperative over the past three years. For example, there has been a joint bid to WG in relation to its Anti-racism Action Plan. An imaginative plan for wider engagement with people from impoverished communities or with disabilities has also been drawn up jointly by AC and the Arts Council, as referenced in the EDI section above.

12.19 Relations with the small RCAHM appear to have been somewhat strained. For example, we were told that AC and the RCAHM have competed for research funding for projects that were intended to be collaborative.

Better cooperation: Historic Wales Partnership

12.20 It is clear there are many opportunities for much greater synergy, and that there should be no room for grandstanding by any of the cultural bodies in Wales. They need to work better together, to be more collaborative and to put the public interest, not their own interests, first. This starts at board level where we understand that there is comparatively little contact across the institutions. Imaginative thinking would allow joint operations in a range of areas, not least "back-office" functions and in commercial developments. More common frameworks or campaigns across the sector would help in achieving common goals and better cooperation. This will not compromise independence nor affect the distinct responsibilities and legal structure of the different bodies. We return later to a number of practical ways in which cooperation could be improved in the future.

12.21 The Historic Wales Partnership was an excellent idea, aimed at breaking down the barriers between the four organisations. Although there had been a proposal in 2015 to merge elements of two of the organisations, the Historic Wales Partnership was intended as a much looser collaboration: it was not intended to result in a merger. However, some in AC appear to have feared that merger was the real intention, though others in AC (including some trade union representatives we met) have seen the advantage of sharing services and working together across the organisations. Unfortunately, however, continued resistance has meant that sensible progress on collaboration was mired by turf wars, introspection and unwillingness to do things differently. This meant that the opportunity of the Historic Wales Partnership has not to date been realised. AC appears to have been particularly refractory and unwilling to embrace the advantages that cooperation would bring. There is now an opportunity for a reset.

12.22 If there is a reset, WG will need to be more explicit in the way it deals with the four organisations and their funding, as well as its ambitions for the Historic Wales Partnership. Regular meetings between WG and the four organisations, especially in the run-up to the annual WG budget announcement, should take place. Other than AC, the components of the Historic Wales Partnership are out of scope for us, but we see merit in the three arm's length bodies sharing their respective remit letters (which are publicly available) and all four organisations sharing their strategic and operational plans.

12.23 In planning for this reset, WG could usefully look outside of Wales at frameworks for sectoral collaboration. Ireland's cultural sector has seen a fundamental, positive shift in collaboration across its national cultural institutions, partly through core objectives for cultural collaboration, set down as policy under the national cultural strategy, but also through specific initiatives established under the State's 'Decade of Centenaries' programme. While not a cultural institution, per se, the Heritage Council, established under the Heritage Act 1995, plays an important co-ordinating, co-operation and policy function across the cultural institutions. All publicly-funded cultural institutions are required to sit on the Council of National Cultural Institutions, also established under legislation [[Council of National Cultural Institutions](#)]. Its composition also includes the Heritage Council, even though it has no responsibility for a national collection or literary canon.

Recommendation 38: that the Historic Wales Partnership should now be reset as an opportunity for partnership working and mutually beneficial cooperation, and that all publicly-funded cultural institutions be required, as a condition of their funding, to co-operate.

Recommendation 39: that a broad framework – potentially through legislation in the fullness of time – for the Historic Wales Partnership be considered, including clarifying responsibility for the national collection, as it relates to each cultural institution. The Partnership could also be given a policy advisory function to support work of WG and the cultural institutions.

National Contemporary Art Gallery Wales

12.24 There was a commitment to “further develop proposals for a National Contemporary Art Gallery Wales” in the 2021 Programme for Government. Three arm's-length public bodies have a role in this – Arts Council of Wales, National Library of Wales and AC. We explored with AC and other stakeholders the way these plans are developing. We were told that the idea has not progressed as quickly as it could have. Originally conceived as a single gallery, the current thinking is that a network of galleries will be linked across Wales and these will constitute the National Gallery. Such a distributed model is one that we welcome. AC's Cathays Park site is clearly well-placed to be the lynch-pin of this important national asset. The National Contemporary Art Gallery Wales will also have a key role in commissioning new art. This is also welcome - we heard that AC has in the past been slow to welcome contemporary artists and that several opportunities in the past had not been taken up. However, there is still little that is definite or publicly known about the model of the National Contemporary Art Gallery Wales, and deadlines for announcements appear regularly to have been missed. This lack of progress and transparency is regrettable.

12.25 The Arts Council, National Library and AC kindly met a Panel member to provide further information on the project. A Project Manager has been appointed and regular meetings of the partners are being held to progress the initiative. There do not, however, appear to be formal governance arrangements in place. For example, the appointment of an independent Chair might be appropriate. In addition, there does not appear, at least to us, to be a coherent collections and display policy in place which could result in nugatory competition and inefficiency. There is a danger that provider-driven considerations could override the public interest.

12.26 This is a potentially very exciting and important project for a country that lacks a national gallery. The vision, governance and project management arrangements will need to be of high quality for the initiative to succeed.

Recommendation 40: that there should be more clarity about the plans for and governance of the National Contemporary Art Gallery Wales and the role of AC in those plans.

Culture strategy

12.27 Many of our interviewees commented upon the need for a new culture strategy for Wales since it has not been renewed, partly because of the pandemic, since 2016. It is important for AC and no doubt other cultural bodies to work within a WG strategic framework to help them prioritise and collaborate.

12.28 A new culture strategy is a key Programme for Government commitment intended for delivery by the end of 2023. This is a welcome development. In our view it would be desirable for the strategy to include, or be accompanied by, an operational/action plan to guide cultural bodies in areas, for example, such as collections policy and to provide a framework for prioritisation and division of labour. The aim should not be to second guess the judgements of individual bodies but to ensure that resources are not duplicated and the whole is greater than the sum of the parts. With reference to our previous consideration of the Historic Wales Partnership, in its re-imagined form, it would provide a forum for guiding cohesive collections policies as part of a cultural partnership for the good of the national collection.

Recommendation 41: that the intention of WG to produce its culture strategy by the end of 2023 be welcomed.

Wider Welsh public sector

Senedd Cymru

12.29 The incoming chair AC will have a responsibility to the Senedd, as well as to WG. Maintaining relations with all Members of the Senedd and relevant committees, especially the Culture, Communications, Welsh Language, Sport and International Relations Committee, and the Public Accounts and Public Administration Committee, is important for AC, and should not be regarded as compromising the obligations it has to the Welsh Government.

Recommendation 42: that AC should continue to recognise the importance of engagement with Senedd Cymru members and the relevant Senedd committees.

Commissioners

12.30 Wales has four Commissioners, all of whom should have an interest in the work of AC, and with whom AC should work closely. We sought to speak to each of the Commissioners. We were disappointed that, despite several requests, we received no comments from the Children's Commissioner for Wales nor from the Older People's Commissioner that could inform our review. Both represent the interests of key groups that AC wants to serve so this is regrettable. We did, however, receive a very positive appraisal of AC from the other Commissioners. In the case of the Welsh Language Commissioner, this accords with our observation of the treatment of bilingualism in AC. The Future Generations Commissioner's office was also very positive in its assessment of AC, and we were able to observe ourselves how the well-being goals set out in the Well-being of Future Generations (Wales) Act 2015 inform all the work of AC. We were also very pleased to see that the outgoing DG has had the accolade of being named by the Commissioner as one of Wales's 100 Future Generations change makers.

Broadcasters

12.31 There is scope to build upon the already positive relationship with broadcasters. We were told, for example, that there is considerable potential for the further development of the relationship between AC and the BBC. An MoU was signed before the pandemic, but now needs to be built on. The BBC and AC can help and learn from each other. For example, the BBC has sophisticated ways to analyse audiences, especially in a digital world. In the Welsh context AC's relationship with S4C is also an important one.

Recommendation 43: that AC should consider how it can continue to develop cooperation with broadcasters.

Universities

12.32 Partnerships and cooperation with universities are vital for a research institution like AC. We discuss these issues later (see paras 13.34-13.39).

Local authorities

12.33 While AC's relations with some local authorities, especially in Gwynedd and Swansea and with Snowdonia and Pembrokeshire Coast National Park Authorities, appear good; relations elsewhere are patchier, and we were told there had been little interest in AC in fostering them. Even in Swansea there have been tensions over future funding that might have been avoided by stronger prior engagement, while in Gwynedd, we are aware there is a feeling that AC could be a more active partner with the local authority in promoting and developing the Llanberis site.

12.34 Every local authority area in Wales has a Public Services Board. The aim of the boards is to improve joint working across all public services in the area. Each board must carry out a well-being assessment and publish an annual local well-being plan that sets out how they will meet their responsibilities under the Well-being of Future Generations (Wales) Act 2015. Public Services Boards can invite additional members e.g. the National Library is a member of the Ceredigion board. Member or observer status at the boards would be one way of bringing AC closer to the six local authorities which host AC sites.

12.35 Another obvious area of cooperation is with municipal museums. Local authorities in Wales either run or fund around 40 museums. A 2015 report from an expert group chaired by Dr Haydn Edwards, a former Vice-President of AC, proposed greater collaboration in the national and municipal museum sectors, with the establishment of a national Museum Council. AC informed us that it is working with a number of local authorities where it has no physical presence including Wrexham and a touring exhibition Celf100/ Art100 in Powys, Ceredigion and Anglesey. It is certainly arguable that AC cannot be successful as a national museum unless there is a robust network of municipal museums, but there is a view that AC should do more to support local authority museums, which receive no revenue funding from WG and are inhibited from charging by the fact that AC has free access. AC is, of course, quite different in scale, but this does not mean there should not be a parity of esteem, and that the opportunities for sharing expertise, and for giving advice and support – in both directions – should be capitalised upon. The Federation of Museums and Art Galleries of Wales, of which AC, many municipal museums and other museums are members, may be a vehicle for this, alongside the WG Museums Team.

12.36 There has been greater evidence of a willingness to support loans and touring exhibitions in local authority museums, as the recent Celf ar y Cyd tour of artworks demonstrates. Further imaginative schemes to disperse AC's collection temporarily or permanently around Wales's municipal museums are desirable. The example of the Galloway Hoard and cooperation between National Museum of Scotland and Dumfries and Galloway Council is a very good precedent. We return to this when we discuss deaccessioning later.

12.37 Most schools in Wales are the direct responsibility of local government, and work with schools has been one area where AC can claim great credit. It takes its education responsibilities very seriously, and

rightly so – the opportunities it has to support the delivery of the national curriculum in history, art and design and science is enormous. More importantly, it delivers cultural enrichment to children and does that very well. No-one we encountered had anything but praise for its educational effort. However, while some of its educational facilities, for example at St Fagans and Swansea, are excellent, others, especially in Llanberis, require considerable investment. In Llanberis, we hope this will be forthcoming as part of the redevelopment of the Llanberis site. We return to education later (see paras 13.34 to 13.43).

12.38 Local authorities understand the educational, economic and cultural needs of their own communities, and AC should regard working with them as a priority.

Recommendation 44: that AC should further develop its work with local authorities throughout Wales, especially with their museums, and should become involved as appropriate with Public Services Boards.

NHS

12.39 A non-traditional area of partnership is between museums and the NHS. This is most obvious through what is known as social prescribing – defined in Wales as ‘connecting citizens to community support, to better manage their health and well-being’. The model moves away from a medicalised approach, to one where the sources of referral are cross-sectoral and not limited to healthcare/primary care. We were told by AC staff that they were keen to become involved and see the potential for AC sites to be part of therapeutic outputs. AC has responded to the Welsh Government’s consultation on social prescribing. There have been instances already of people living with dementia being stimulated by, for example, reliving previous experience by going underground at Big Pit. There is much more potential to take artefacts to care homes and so on.

12.40 We are aware, however, of some administrative barriers that inhibited AC from working with health officials within WG or from liaising with NHS management. This is indicative of the silo approach for which the WG is sometimes criticised and which means that AC’s conduit to the wider WG is through its sponsor department only. We know, for example, that Public Health Wales is very keen to work more closely with AC in relation to social prescribing, mental health, disadvantage, disability and dementia. We have already recommended that WG should enable such collaboration across its departmental boundaries and our NHS engagements reinforce that imperative. The shortly to be published Framework for Social Prescribing provides an opportunity for AC to develop work in this area.

Recommendation 45: that AC take advantage of Public Health Wales’ willingness to work with it and of the forthcoming Framework for Social Prescribing in order to extend and improve its contribution to universal access.

Welsh private sector

12.41 The private sector and the voluntary sector are also involved in Wales’s cultural life. AC needs to ensure that partnerships are built with private galleries, private museums and organisations like the National Trust. In the case of privately-owned museums, most of which are very small, the Federation of Museums and Art Galleries is a medium for this cooperation – it was acknowledged that links here could be improved. The WG Museums Team are a key medium for enabling partnerships with the independent sector, with the Federation as a partner. We understand the WG Museums Team (part of the wider Culture Division) plan to review the support and development offered to the local sector. This will be carried out with AC and the federation, to ensure that all organisations work together to the best effect. Including the municipal museums referred to earlier, there are around 100 accredited museums in Wales, and others that are unaccredited. Given its size, influence and lion’s share of resources, AC has a leadership and support role to play in relation to these museums, for example, in supporting staff development, providing access to

restoration, conservation and curator expertise and generally providing support and encouragement without being overbearing. We know that small museums have been very grateful for this support when it has been made available.

12.42 We heard very little from AC about partnership with business more widely in Wales. Organisations representing business whom we approached for views on AC were silent, perhaps because they had never themselves considered the relationship as important. Engagement with business perhaps is more difficult for an organisation infused with public sector values, but business in Wales should see AC as welcoming them as much as other parts of the Welsh community. We turn later to look at one particular aspect of the private sector, tourism (see paras 13.64 to 13.66), and also to the important potential benefit for AC from linkage with business – corporate financial support (paras 12.53 to 12.55).

Recommendation 46: that AC should engage more actively with the private sector in Wales, especially Wales-based corporations.

Wider UK partnerships

12.43 While the distinctiveness and identity of Wales is rightly represented by AC, cross-border cooperation with the rest of the UK is important: there is no merit in doing things differently in Wales simply to be different. We had some evidence from England that AC did sometimes seek differences rather than commonalities, and one board member told us that connections with English institutions were underdeveloped.

12.44 Cooperation with other museums throughout the UK is something that gives benefits both ways. This applies to loans, joint exhibitions, research collaboration and sharing of expertise across the whole range of museum activities. We were surprised to learn that there is no active collaboration between AC and either the National Museums of Scotland or National Museums Northern Ireland. We also understand (and to the regret of the other parties) that AC withdrew in 2013 from the National Museum Directors' Council (NMDC) – a Council that contains all major national museums of the three other countries of the UK. We were told that withdrawal was decided executively without the involvement of trustees.

12.45 We have been advised of the reasons for the withdrawal: NMDC was seen as too supportive of Westminster Government policy positions, there was a dispute over translation and NMDC subscriptions were not seen as good value for money. We feel that these issues are now largely historical and in any case are outweighed by the need for national museums to work together under a common umbrella organisation. In this way AC can influence those things it disagrees with. On the financial point we make a submission later in our report for an implementation budget to assist AC where our recommendations have a cost implication.

Recommendation 47: that AC reconsiders membership of the National Museum Directors' Council in the next financial year, in the light of our advice that membership is beneficial, with trustee involvement in the decision.

12.46 Though AC is a Welsh public body and therefore firmly within the responsibilities of the Senedd and Welsh Ministers, it should not neglect the Parliament and Government in London. It is interesting that the levelling-up funding recently announced supported two museum-related projects in Wales, one of which will indirectly support AC's site in Llanberis. Engagement with other relevant public institutions elsewhere in the UK – like universities – should also be encouraged. It would be sensible for parameters of engagement to be agreed with the PT but the reach of museums stretches well beyond their geographical borders so AC should not be unduly constrained in seeking to engage UK wide and internationally.

Recommendation 48: that, while respecting the fact that culture and museums are devolved, AC should engage appropriately with the UK Government, with other devolved governments and with institutions elsewhere in the UK.

International partnerships

12.47 AC's 2030 strategy puts considerable emphasis on its existing international partnerships, and sets out its aim to develop these. Football has shown the soft power advantage Wales can gain from international visibility. AC has a role in the promotion of Wales – and it is one that could be leveraged better in the future. Its work fits particularly well with the international aims of WG – that Wales should be recognised as a globally responsible and outward-looking nation.

12.48 That said, when called upon to do so by the International Division of WG, AC appears to be very co-operative and engaged. This is demonstrated by not only its engagement with the FIFA Men's Football World Cup, but also its interaction with the Ireland-Wales Forum. The occasional use of St Fagans and Cathays Park as venues for international dialogue enable both AC and WG to promote the deep cultural heritage that underpins Wales, and the role that it can play in forging international relations.

12.49 AC is an established anchor that can attract international visitors, and this report makes a number of recommendations in this regard; it is an effective tool in international diplomacy; and it offers opportunities to people in Wales to reflect on wider global issues/themes and on what other parts of the world are doing. It can also receive and give loans to international museums, and foster professional development through international links, as well as using those links to promote its sites and the wider regions where they are – the UNESCO designation for the slate areas of North Wales is a particular opportunity. Digitisation of collections and online programming offer opportunities to link further with the Welsh diplomatic representation across the globe, as well as diaspora and international audiences. AC can also promote the values and the bilingualism of Wales to an international audience, as it is intended it should do at the UNESCO General Assembly in Paris later this year.

12.50 The international-museum field has very many players and AC is not particularly well-known, with some exceptions, even to museum professionals elsewhere in the world. Limited resources inevitably mean that AC must concentrate international efforts where opportunities that suit it best arise. These will often be in places with particular affinity with Wales – Brittany, Quebec or Japan, for example. An example of this is the relationship with Ireland. Following the wider Wales/Ireland shared statement and joint action plan of 2021, an MoU was signed by AC with the National Museum of Ireland (NMI). This has led to good cooperation at senior staff level, particularly on joint events, staff exchange and collection research. There is also potential for AC to learn from Ireland's very successful outreach to its diaspora, through NMI's links with Global Ireland and other institutions in the Irish State. We were told that the staff of both institutions had benefitted greatly from these links. We welcome this co-operation but note with surprise that it is not replicated by a relationship between AC and National Museums Northern Ireland – despite the close relations between the museums on both sides of the Irish border.

12.51 But other links can also be fruitfully developed. The relationship between AC and the Museum für Naturkunde in Berlin is an example. The museum manages a project, financed by the German Government, that fosters co-operation between African and European museums by offering 50 fellowships a year that allow fellows to spend short periods of professional development in other museums. 25 fellowships are offered to African museum professionals; 25 to European museum professionals. AC has received two European fellows and one African fellow. Fellows were made welcome and were positive about their experience.

12.52 The recently developed links with Qatar also show how AC responded quickly to the opportunities that the FIFA Men's Football World Cup offered – despite the cultural challenge and a degree of internal and external criticism for doing so. AC's approach followed the WG line that engagement and demonstration of Welsh values is preferable to disengagement. Cooperation with the Museum of Islamic Art in Doha may in the future bring important loans to Wales, as well as helping to counter negative attitudes to the Arab world and to Islam in some Welsh communities.

Recommendation 49: that the convening power of WG, coupled with collaboration across a wide range of bodies to enable Wales to present its best face to the world at the FIFA Men's Football World Cup, be regarded as an example to be followed in the future and that, using this positive experience and the Ireland Wales Forum, WG should identify appropriate collaborations with AC to support the reputation of Wales on the global stage. Such collaborations should be consistent with AC's objectives in its strategy, and – where needed – resources should be made available to enable maximum participation by AC in promoting the reputation of Wales on the global stage.

Philanthropic partners

12.53 AC has a good relationship with a limited number of Foundations and Trusts, and we heard extremely positive reports about AC from their representatives. These relationships tend to be long-term and are reliable sources of support. On corporate support, despite having a corporate membership scheme, AC does seem to lag behind several large museums elsewhere in the UK. This is partly explained by Wales's comparatively weaker economy and private sector. But AC also believes that engagement with corporate donors is challenging – success usually relies heavily on an individual at the organisation, and there is high stewardship with low returns. There are also ethical questions: any corporate supporters would need to align with the 2030 strategy in such areas as commitment to the environment and sustainability.

12.54 We do not believe these barriers are insuperable. We do not wish to pretend that there is an El Dorado in Welsh business which AC has not recognised, but we do think that effort should be made to increase the number of corporate partners and to develop new concepts like, for example, hotel partnerships. We would like to see AC examine the untapped possibility in the corporate sector. WG may also have a role: one idea suggested to us was that WG could leverage a matched funding scheme to incentivise companies to engage with AC and support it financially.

12.55 Encouraging individual philanthropy also needs momentum. At present, AC's income from donations and legacies almost matches the cost of generating this income – one trustee told us that AC was too coy about its fundraising from high net-worth individuals and should be less reticent in doing so. Wales does not have the base of wealth of south-east England or even Scotland's central belt, but there are some wealthy individuals who may be prepared to support AC. The Welsh diaspora, both within the UK and overseas – especially the USA, could be better targeted. The best practice of other institutions in such things as “friend-raising” or encouraging legacies should be emulated.

Recommendation 50: that more emphasis in its income generation strategy (as part of an overall financial strategy) should be given by AC to stimulating philanthropy.

13. Contribution to Economy and Society

Society and economy

13.1 This section focuses on the terms of reference specifically relating to “AC’s impact on Welsh society and economy, including at a global level” (TOR, 4.2, page 4).

13.2 In the course of our stakeholder consultation, AC’s impact on Welsh society and economy came as a final topic of engagement during meetings, allowing stakeholders to think - in much broader terms, compared with the other discussion topics - about AC’s role and influence. In general, engagements on this topic were positive, especially in relation to AC’s work with communities and schools. Its intentions, as set out in its ten-year strategy, were widely welcomed. Areas of improvement were also suggested, and stakeholders offered ideas for deeper collaborations and initiatives.

Role of AC in the Welsh economy and society

13.3 The Remit Letter from WG [[AC remit letter: 2021-26](#)] sets out six broad objectives, included in the Programme for Government, and which AC is expected to consider in exchange for its public funding. Most of these have social import, while the objectives around the creation of opportunities for young people and the promotion of a positive image of Wales offer some potential for economic benefit.

13.4 As already referenced, AC’s ten-year strategy, setting out its vision to 2030, is very much aligned to the requirements of the Remit Letter.

13.5 To this end, we selected, to varying degrees, the six objectives / strategic themes as touch stones for this section of our report. In addition, the issues addressed in this section reflect the range of views garnered through our consultation, as well as the views of the Panel arising from a desk review of AC’s policies and plans. Our observations and recommendations are also informed by our engagement with the various AC sites, as well as the professional and experience-led views of the Panel itself.

13.6 Consideration is also given to the external environment in which AC operates, and which we considered in the ‘Environmental Scan’ section above (p.10-17).

What is a national museum?

13.7 Ahead of considering the impact of AC on Welsh society and its economy, we deliberated on the question of ‘what is a national museum?’ and how it differs from other museums across Wales which collect, preserve and make available collections, of relevance to Wales, to the public.

13.8 The strongest expression of what AC is lies within the Royal Charter, which, as a reminder, describes its role in the context of:

13.9 “...the advancement of the education of the public: (i) primarily, by the comprehensive representation of science, art, industry, history and culture of, or relevant to, Wales, and C:3470563v1 (ii) generally, by the collection, recording, preservation, elucidation and presentation of objects and things and associated knowledge, whether connected or not with Wales, which are calculated to further the enhancement of understanding and the promotion of research.” [[Royal-Charter](#)]

13.10 While the Royal Charter identifies a range of functions, it does not underscore any specific functions that might be considered exclusive to a national museum. Therefore, it is helpful to look outside Wales for a more specific definition. Those national museums underpinned by legislation generally have very prescribed functions, with special emphasis on the nature of the collection and how the museum interacts with the State. A useful, flexible definition is that used in France:

13.11 “National museums are museums whose collections belong to the State. A distinction is made between museums under the authority of the Ministry of Culture, the list of which is included in the Heritage Code (Articles R. 421-2 et seq.), and museums that are under the authority of another ministry. They are generally either public establishments or services with national competence. They have the designation ‘Musée de France.’” [[Definition - National Museum](#)]

13.12 Such a definition creates a clear distinction, based on the public ownership (“the State”) of the collection. The definition is broad enough to include museums that are part of the public sector infrastructure, or that have an arm’s-length relationship underpinned by “national competence”.

13.13 In addition to placing responsibility for holding the national collection as the unique function of AC, the approach to collecting, caring for and making accessible this collection should be comprehensive and contemporary. We note that AC is developing a new Collections Development Strategy (currently out for consultation as at April 2023) which is timely since collections policies have not been revised since 2016. A strategy is not a policy so it is important that collections policies are implemented as a result of the strategy. In this regard, we understand it is intended to establish a Collections Policy Group with trustee involvement. Given the centrality of the national collection to the work of AC, such a policy should undergo more regular, rigorous and substantial appraisal to ensure it is fit for purpose and overseen by the board. Although wider than our remit, there is an opportunity for Historic Wales to develop a protocol and Memorandum of Understanding in relation to national collections.

Recommendation 51: that a shared understanding of what a national museum is, in Wales, would provide clarification and a critical building block upon which to situate expectations and responsibilities that go with holding the national collection on behalf of the people of Wales.

Recommendation 52: that AC’s range of policies relating to collections are in need of a significant revision to take account of its strategic objectives, and contemporary, pressing issues, including sustainability and climate change. Work underway to deliver a new Collections Development Strategy is welcome, and once approved, the strategy should be placed on the website to enhance accountability to the public for the national collection.

Society

13.14 The approach that any museum takes to collecting, managing and making accessible the national collection shapes the extent and reach of ensuring public benefit.

13.15 We are aware that where AC invests in building deep relations with selected communities, the impacts are significant for the individuals involved, and barriers and misconceptions are broken down. This approach to deep engagement, taken by AC, was highlighted throughout the stakeholder research, although it has to be said that not all communities felt they had these advantages or opportunities.

13.16 However, as AC works towards its strategic commitment to making sure that “everyone” in Wales is represented through its work, it may be required to adapt and scale up its partnerships across Wales to maximise the social benefits of public interaction with the national collection.

13.17 Furthermore, in becoming a museum where everyone is represented, AC will have to factor in its statutory obligation to collaborate in the delivery of the objectives set out in the Well-being of Future Generations Act.

13.18 A clear roadmap will be needed to maximise the social benefits linked with access to the national collection by the public in Wales. In developing this roadmap, we believe the following should be taken into consideration:

Digitisation

13.19 The COVID pandemic showed that museums across the world struggled to 'pivot' to digital. In this context, AC appeared to respond well to the enforced 'pivot' and initiatives in healthcare settings, for example, were very innovative and welcomed.

13.20 AC continues to focus on developing and delivering its schools' programme using digital. This approach would benefit from evaluation, perhaps in the next two years, to secure a comprehensive insight into how the shift to digital is working for teachers, students and AC's education team. At face value, it appears to be working well and presents some strong opportunities to strengthen AC's reach and engagement.

13.21 At a strategic level, the Panel was pleased to note that a digital museum is the third limb of the 2030 strategy, and we are also aware of AC's ambitious engagement action plan. We welcome, too, the new digital, data and technology strategy and the attention being given to new ideas, like 3D digital outreach.

13.22 However, during our work, it became clear that AC has had to work to find a balance between its online programming and the demands for in-person engagement. While some of AC's social media platforms have strong engagement, performance and engagement has the potential to be further developed, especially as this relates to connecting communities with their collections.

13.23 The level to which AC has digitised and made the national collection available for public interface is unclear. A public-facing digital strategy is not available, and perhaps this will emerge in the future based on current plans. Opportunities to search and engage with the collection online are limited. Digitisation, in this regard, appears under-invested, although there has been welcome recent investment as part of the National Contemporary Art Gallery project. Fulfilment of ambition, therefore, will need significant re-arrangement or resourcing.

13.24 Digitisation – especially as this relates to AC's collection of items such as photography and prints – should be prioritised. Making such collections available throughout Wales and beyond, through digital channels, or through collaboration with communities and local authorities, offers easy ways to maximise the reach of the national collection and AC's ambitions on cultural democratisation. Access to AC through digital engagement opportunities support international reach and engagement which, in turn, can support the positive reputation-building of Wales in the global arena.

13.25 A comprehensive digital strategy, covering the digitisation of collections and the approach to public access, including consideration of digital poverty, will be required to support AC's strategic objectives. Such a strategy will have to identify ways in which digital engagements can grow alongside in-person engagements. Regular effectiveness reviews of digital strategy and approaches, which include trackable metrics, will be required to ensure they remain fit-for-purpose.

Recommendation 53: that the data, digital and technology strategy be re-visited in the light of our observations.

Deaccessioning collections, loans and partnerships

13.26 Unlike in England, Wales does not have a designation scheme to recognise collections of national significance outside of the AC and National Library collection, although the appetite and potential for a recog-

dition scheme for Welsh collections is being explored. In any national museum, the work of distributing the collection across the nation, through deaccessioning, loans and partnerships, is a constant task linked with a framework of ethics considerations, community engagement and practical considerations in respect of issues such as transport, storage and climate. AC has, to some extent, considered – on a very limited basis – deaccessioning in its Collections Development Policy, 2016. [[Collection Development Policy 2016](#)]. A new Rationalisation Policy was approved by the board in September 2022 and is in the process of being implemented. The policy does not, however, appear on the list of policies on AC's website. Accountability is essential when it comes to AC's strategy, policy and approaches to managing the national collection.

13.27 In the context of the role of the national collection, documenting, and where opportunities exist, deaccessioning, provides an opportunity to consider how AC's collection of over five-million items can play a much more important role in the communities where they came from, rather than in the national repository. An approach of distributing collections, after full documentation, would, of course, require deep evaluation of objects, as well as engagement with communities (e.g. through local authority museums or local landscapes). In this context we also envisage a role for WG in facilitating the necessary conversations. In some cases, deaccessioning items that could have a stronger societal or research value outside AC should also be considered, in line with accepted international best practice in this area. [[Guidelines on Deaccessioning of the International Council of Museums](#)]

13.28 During our consultations we developed an impression that AC was not especially proactive in engaging with the regions – through local authorities and other organisations – on how the national collection could be made available through loan or other arrangements. In some cases, where a loan system was in operation, the experience was that there was very little engagement beyond making a loan available. Training and knowledge-sharing by AC was suggested, as well as some public programming, in collaboration with the relevant regional agency, based around loaned collections.

13.29 While AC does not consider itself – any longer – to house ethnographic collections that may be subject to repatriation requests, it would be useful for it to have a more long-term and broad view on items in the national collection that came from outside Wales. Given the scale of the national collection, items may be identified that have a contested history. This scenario should be considered at a policy level, with lessons applied from the experiences of other countries, including elsewhere in the UK and Ireland. These can offer AC a robust and responsive approach to appropriate repatriation, interpretation or reinterpretation.

13.30 Sharing the collections with communities, through a broader range of partnerships with local authorities and agencies with a role in cultural heritage, can deepen community pride and understanding, and pride of place. AC, as already highlighted, knows and approaches partnerships with this in mind. However, it may need to grow the scale of its partnerships, becoming more 'light touch' in some, and giving partners the tools to maximise their capacity to drive public engagement without overly drawing on AC resources. Given the declining demographic in a number of regions in Wales, greater access to the national collection, especially outside South Wales, will be important in supporting an ageing population in areas such as brain health, well-being, community cohesion and democratisation of the collection. In our discussions with stakeholders on the issue of 'social prescribing', access to the collections and AC's services was raised as a barrier to its effectiveness in engaging with more remote communities. The museum-wide initiative for people with dementia, an element of which we observed at Big Pit, was underlined as a particularly strong model, but spreading its capacity required AC to work outside its walls and consider broader ranges of settings for programming.

13.31 Broader social and cultural histories, referenced in the national collection, can help enable communities to move beyond single histories that define them: cognisant of the Well-being of Future Generations

Act, the communities in the vicinity of the National Slate Museum and Big Pit may become less defined by their historical association with extraction. To this end, the development plans for the National Slate Museum will require AC to be a partner in conceptualising plans for the overall UNESCO heritage site, envisioning how it can contribute to a sustainable community, and widen and deepen interpretation to consider multiple histories, some of which might have fewer tangible links with slate extraction.

13.32 Social histories which support the interpretation of local cultural heritage are widely used in the National Slate Museum. In looking beyond the story of slate, AC will have opportunities to consider consultation with, for example, the diaspora, including those who emigrated to America to support newly-emerging extraction industry in slate, steel and coal mining during the 1800-1900s. Emigration links and family history increasingly play a role in enabling people to be connected to place and community, a theme which seems seldom explored in Wales, at least compared with, for example, Scotland or Ireland.

13.33 Finally, as the population ages, fewer will have lived direct experiences of industrial Wales. At some stage, letting go of certain interpretations will require a 'palliative approach' to deaccessioning of heritage that cannot be maintained. Besides, younger generations will not have the same level of interest and nostalgia to encourage them to visit / engage more (beyond school). This diminishes the chances of returning visitors in adulthood. It would be prudent to consider a long-term vision for industrial heritage sites, which enable communities to come to terms with collections and interpretations that are no longer sustainable. A useful tool in considering this issue is found in the UK Heritage Futures Report: [Heritage Futures: Comparative Approaches to Natural and Cultural Heritage Practices - UCL](#)

Recommendation 54: that the Rationalisation Policy be revisited in the light of our findings, located within the collections policy and be reviewed and updated at least every five years. The policy should consider deaccessioning in the widest terms, and through a lens of maximum public benefit and sustainability, including as this relates to collections accrued from outside Wales. The trustees of AC have a responsibility to ensure such policy is up to date and fit for purpose.

Recommendation 55: that wider engagement, through loans and partnerships with local authorities and agencies with a cultural heritage remit, should be developed in the context of AC's strategic objectives, with a view to accepting that not all partnerships can have the level of depth and collaboration as some of its current, very successful partnerships. Programming outside AC locations should be developed over time and in line with resources.

Recommendation 56: that, in future-proofing, AC needs to consider its approach at its industrial heritage sites to ensure relevance to future generations, while respecting and working with existing communities.

Education, learning and research

13.34 Education and learning is the cornerstone of AC's mission, as set out in the Royal Charter. AC prides itself in being the largest educator in Wales, outside the classroom. We have noted a particular emphasis on focusing educational efforts at school-learners. Throughout our site visits, the quality and prevalence of school visits was noted.

13.35 We have already made a number of observations in relation to AC's digital education offering, and how this has accelerated in growth and reach since the pandemic. An evaluation of this offering would be timely. During the course of stakeholder consultation, a view was expressed about the potential of increased monetisation of the education offering. This view was articulated in a number of ways, ranging from charges for school-based programmes to research publications by AC itself. In any evaluation of AC's education work, a question about monetisation could be usefully explored.

13.36 The panel noted the diverse range of education resources offered by AC: on a limited review of these resources, some consideration could be given to introducing a uniformity of quality across all resources. Resources could be grouped into themes (e.g., industry; art; biodiversity), with, perhaps, more resources developed to meet strategic objectives in areas such as climate change and EDI.

13.37 AC is, of course, a research organisation, one of only two Independent Research Organisations recognised by UK Research and Innovation in Wales. It does and should cooperate with the rest of the Welsh higher education research community. We were made aware of a variety of ways in which AC cooperates already with universities in Wales. These range from co-sponsoring PhD students to working together on exhibitions. Staff in areas from archaeology to engineering work across AC and the university sector. Many of the areas of community engagement, partnership and learning are also ones that are important both for AC and universities. In Aberystwyth University, AC is a major project partner in the future of the major Old College development. Glyndŵr University has also worked with AC in a number of areas, even if its linkages with National Museums Liverpool are closer due to geography. There is also an MoU with Bangor University. However, there is a move to replace rather general MoUs with more specific collaboration agreements. In the case of Cardiff University, a new Strategic Partnership Agreement with concrete deliverables has replaced rather vague previous agreements. AC is one of only 20 designated strategic partners of this Russell Group University. This is expected to be a route both to better research income and to achieving results allied to AC's strategy. These links all need to be fostered and new ways to cooperation explored: for example, see the suggestion above that AC and universities could sponsor a series of talks at venues around Wales based on particular artefacts.

13.38 Collaborations with third level institutions across Wales are very positive, opening the national collection to increased rigour across history and the sciences, as well as art and design.

13.39 In our engagement with the higher education sector, the Panel did note that many representatives were impressed with the approach taken by AC in developing MoUs, linked to strategy and aligned with university priorities. The role of the outgoing DG in forming – and giving credibility to – these partnerships was especially noted. With imminent changes in the leadership of AC, it will be critical that these new-found engagements with the university sector are resourced and prioritised in transition.

13.40 We did note efforts, both at the National Slate Museum and Big Pit, to manage succession planning through apprentice training for skilled jobs, such as slate splitting / craft and coal mine management. AC also works with Adult Learning Wales and with the wider post-16 education sector. One UK-wide charity that attempts to create a skilled, inclusive and diverse cultural sector throughout the UK was particularly complimentary about what AC has achieved in its area of expertise through such mechanisms as offering placements or helping develop people with heritage skills. Beyond this, there was very limited engagement by stakeholders on the role of AC in promoting heritage skills and apprenticeship / skills-based learning.

13.41 Given AC's role and physical presence in many working-class communities and considering the future skills required to support climate action, some consideration of how it could promote and support heritage skills, with reference to the national collection, would be prudent. Working collaboratively with like-minded organisations – for example, the Princes' Foundation and local colleges – could provide a “win-win” in heritage skills promotion.

13.42 Education is an area of work that AC can measure through basic metrics (school visits; online classes; downloads etc.), KPIs linked with the organisational strategy, and through evaluation and reporting under the objectives of the university MoUs. It is unclear to what extent AC invests in such measuring and reporting in a systematic way. Ultimately, in terms of evaluating its success in “creating opportunities for younger people”, as set out in the Remit Letter, measuring and reporting would be useful. Furthermore, a consis-

tent approach to measuring would help AC move to a situation where it can measure impacts over the medium to long-term. This would be especially important as the university MoUs become embedded, increasing the potential for international research and funding opportunities.

13.43 AC has recently approved a research strategy for 2022-27 alongside a new strategic partnership with Cardiff University. There is also a Learning and Public Programme Strategy. While research was only referenced sporadically in our work, there would appear to be potential for greater investment in research opportunities for staff, based around key collections and strategic priorities. Once shared, this knowledge would strengthen the ownership, understanding and value of the national collection through education and community-engagement programmes. In addition, engagement in the national collection through research provides opportunities for diaspora engagement, tourism and commercialisation of products based on the national collection. Opening the potential of research with the private sector, especially as this relates to natural history and innovation in climate mitigating solutions, could be explored as AC develops its role in climate action, while opening opportunity for income generation.

Recommendation 57: that learning and research continue to be core functions of AC activity and that accompanying strategies and policies be regularly updated within the context of the strategic plan.

Recommendation 58: that the creation of new strategies enable the development of new metrics to measure progress and continue to improve reporting to stakeholders and the public.

Welsh language

13.44 AC is one of the bodies in Wales that is required to meet a series of Welsh Language Standards agreed with the Welsh Language Commissioner. The Compliance Notice [[AC Compliance Notice \(museum.wales\)](#)] under Section 44 of the Welsh Language (Wales) Measure was issued on 25th July 2016 and AC is required to meet 168 standards covering the areas of Service Delivery, Policy Making, Operational and Record Keeping. No standards from the Promotional category were assigned to AC. However, the Monitoring Report 2021--2022 notes that promoting and publicising the Welsh language and its bilingual services as well as celebrating the use and development of the language is an integral part of AC's work. AC produces an Annual Monitoring Report outlining progress in meeting the standards.

13.45 AC also has a Welsh Language Policy [[Welsh Language Policy \(museum.wales\)](#)], which was last reviewed in January 2017 and outlines how AC meets the requirement of its Welsh Language Standards.

13.46 Evidence for this review was collected from the Welsh Language Commissioner (by interview), the Deputy Welsh Language Commissioner (by correspondence) and internal and external stakeholders.

13.47 AC has a Welsh Language Monitoring Group, chaired by the Director of Learning and Public Programmes and managed by the Welsh Language Co-ordinator. The group is responsible for monitoring compliance with the standards and reviewing the implementation of the Welsh Language Policy across AC. The group meets quarterly, reporting to the SET and the Performance Review Committee. Meetings are held bilingually using simultaneous translation to ensure a broad membership.

13.48 The 2021-22 Monitoring Report notes that 25 staff received Welsh language training during that year. During the same year 25 posts were advertised as Welsh essential, 4 as Welsh desirable, 80 with a requirement to learn within a set timeframe, with only 5 posts being advertised with no Welsh language requirements.

13.49 The Welsh language skills of staff and trustees is collected annually. In 2021-22, AC employed 772 staff with 624 completing the survey. Out of those who completed the survey 177 (25%) were proficient in

Welsh with a further 193 (26%) having some Welsh language skills. 254 (35%) had no Welsh language skills. In recruiting a new chair/vice-chair and CE a balance will need to be struck between encouraging a wide field of applicants and ensuring that the successful candidates are sensitive and supportive of the vital importance of Welsh language and culture to a national cultural institution. All things being equal it would be desirable for all the successful appointees to be Welsh speakers. Failing that, we attach importance to fluency in Welsh for either the chair or CE and a willingness to learn if not fluent.

13.50 Amongst the board of trustees, four were proficient in Welsh, with 11 having some Welsh language skills and only one with no Welsh language skills. We noted from our trustee meeting observations that a number of executives and trustees chose to express themselves through the medium of Welsh and that translation facilities were very effective.

13.51 During 2021-22, AC received one complaint in relation to the Welsh language. The Welsh Language Commissioner did not receive any complaints in relation to AC.

13.52 Feedback from senior managers is that significant progress has been made in turning AC into an organisation where the Welsh language is valued and used and this was illustrated by a comment made by a member of staff who noted that when they joined around 20 years ago, it was like joining an English institution – that has all changed. This positive change was also highlighted by the Deputy Welsh Language Commissioner who noted that there is a very high level of assurance of compliance with the standards.

13.53 Some of the examples of good practice noted during visits and interviews was that AC does not produce its information in English and translate into Welsh, but develops original content in both languages and there were positive examples of working with individuals learning the Welsh language.

13.54 The main challenge for AC is how it can build on this positive situation and further embed the Welsh language into its work, both internally and externally.

Recommendation 59: that, building on its current work, the next revision of the Welsh Language Development Plan to provide additional opportunities for people to use Welsh.

Recommendation 60: that the new CE and/or chair can speak Welsh or there is an expectation to learn. As part of the recruitment process all candidates need to be tested on their attitude to the Welsh language and their understanding of its importance to the culture and society in Wales.

Recommendation 61: that the use of Welsh internally be further embraced, especially in departments where the majority of staff speak Welsh.

Environment

13.55 Given the focus by WG, and by AC itself, on climate action and protecting the planet, we had comparatively low levels of engagement on this topic. In our stakeholder engagement, however, those who did focus on this topic feel AC is under-ambitious and there is a concern about how it can reach the WG target to be carbon-zero by 2030.

13.56 AC requires a dual strategy in supporting climate action: (1) it needs to become more sustainable in everything it does, reducing its carbon footprint in a measurable way – its buildings; how people travel to and connect with its collections; its collections policy and collections management policy (including deaccessioning, digitisation and the use of biometrics in natural history collections). (2) it needs to elevate the role of its collections to aid education, awareness and solutions, especially linked with natural history and biodiversity. Innovating through digital and biometrics, it needs to help track biodiversity loss in Wales,

working with National Parks and Natural Resources Wales. It can further drive public awareness through its public exhibition policy, at all sites and across all online channels.

13.57 While AC does have a sustainability policy, this is not public-facing and, at the time of writing this report, we noted that the sustainability pages of the website were 'being updated' and unavailable for further reference. That said, the SET's presentation to trustees in December, coupled with other strands of AC's work shows that sustainability is being considered in education, programming and in the approach to energy consumption across the sites. Before the website pages became unavailable, we noted the ambition to maximise biodiversity on its sites, as well as the commitment to the circular economy model. What is less clear is how AC reports on its sustainability efforts: it is generally accepted, in Environmental, Social and Governance (ESG) modelling and sustainability reporting, that being transparent and accountable are key to achieving targets and securing buy-in from staff and stakeholders. A clear, systems-approach, model; roadmap for achieving success; and transparent and public-facing reporting programme will be required to give real credibility to AC's leadership in this area.

13.58 A significant challenge will be AC's approach to interpretation at the National Slate Museum and Big Pit. While respecting the history and traditions of the extraction industries, a way needs to be found to include explanations of the damage done by coal and slate in local landscapes and in relation to global warming through the use of fossil fuels. This challenge was underlined by a number of those we consulted. It was not evident in any of our work that there were any future-proofing strategies in place to ensure that reinterpretation and education shifts are being considered, while managing the community expectations about an important aspect of their history. AC could usefully consider initiatives underway in Scotland's mining museum, as well as the broader initiative in Scotland that requires cultural institutions to act on climate change. [[New climate change art and science exhibition opens NMS](#)]

13.59 It was not possible to look, in great detail, at collection storage although we did benefit from a visit to the National Collections Centre, but a question needs to be asked about the effectiveness of AC's collections and storage policy. The Museum, like the National Library, collects many items, including photographs (early negatives); archives; art; as well as its vast collection of objects and industrial heritage buildings. This extensive collection requires different levels of storage and care. Collaborative collections and storage policy should be explored with the National Library to avoid duplication, and minimise climate impacts of storage.

Recommendation 62: that AC's sustainability strategy should be robustly tested to ensure it is comprehensive; public facing; inclusive of targets; is reported on and measured (including successes and failures); and takes account of all aspects of AC's activities.

Recommendation 63: that there should be board-level competency in the area of sustainability to ensure that oversight is effective on such an important issue, strategically and for compliance purposes.

Economy

13.60 Other sections of this report consider AC's own capacity to generate income. The Thurley Report made wide-ranging recommendations to this end, many of which have yet to be acted upon. We observed, in our stakeholder engagements, some unease about the status of the Thurley recommendations, especially as they relate to funding and the economic performance of AC. We have seen AC's response to Thurley and our report builds upon it. Taken together the reports represent a significant programme of work for AC to undertake under new non-executive and executive leadership.

13.61 To situate fully AC in the wider context of the Welsh economy, we consulted Dr Annette Roberts, Reader in Economics at Cardiff Business School. Together with her colleague, Professor Max Munday, Dr

Roberts undertook desk research of a number of bodies of research from 1998-2017, all of which – in different ways – attempted to measure the economic benefits of AC in Wales. This longitudinal desk review highlighted a common theme from all research bodies over the past two decades: studies stressed the risk that economic effects might take away from the socio-economic role of a museum, and the two elements (i.e. economic and social) should not be seen as competing, but rather complementary. This view was picked up throughout our consultation with stakeholders.

13.62 The research presented to us usefully examined the economic activity linked with AC's sites across a range of categories, including visitor spending on the sites, spending in the site vicinity (including in hospitality), as well as the economic impacts of jobs at the sites. It also contextualised the range of 'unmeasurable' economic benefits, the list of which outweighed those that are measurable.

13.63 We take the view that AC provides quantifiable benefits for society. We also accept that it offers many unquantifiable, intangible benefits. However, it is reasonable that some outcomes are tracked and reported on, including economic benefits. AC is an important resource to encourage inward investment, promote tourism and generate economic activity locally to its sites and is therefore an investible economic, as well as cultural and social, proposition. Given the vast body of previous research in this area, and the willingness of a potential partner, such as Cardiff University, ongoing tracking would support accountability for public spending; political and public understanding of the value of cultural institutions in various locations; as well as offer a strong basis for decision-making when it comes to considering increased/reduced public funding of the sector by Government. There should be a shared acceptance, at the level of Government and publicly-funded cultural bodies, that the social role of cultural spaces is critical, and should not be undermined by economic targets.

Recommendation 64: that tracking and measuring AC's economic impact should be a consistent activity in the publicly-funded cultural sphere in Wales, including AC.

Tourism

13.64 The role of AC in supporting tourism in Wales, both domestically and outside the country, was raised by stakeholders during the Panel's consultations. We also had the benefit of a conversation with Visit Wales about current interactions and activities with AC. Some stakeholders noted an apparent lack of connectivity across much of the cultural heritage sector. Others, especially outside of the sites in the South of Wales, highlighted the importance of the local AC site in attracting visitors, or giving them a reason to stay in a location for longer.

13.65 Tourism is an obvious area where business can benefit from AC – which should be a key part of Wales's tourism offer, both to UK and international visitors. Co-operation between AC and the commercial tourist industry like the hotel sector is therefore vital. We heard of good schemes like the bringing of passengers from cruise ships docking in Pembrokeshire to the Wool Museum. More generally, there are differing views on the extent of AC's engagement and cooperation with Visit Wales. It is imperative that the two organisations should work together to present Wales in the fresh and exciting way that will help attract visitors. Certainly, the authenticity of the craftspeople at several AC sites is particularly attractive to visitors and AC plays an important part in maintaining traditional skills.

13.66 AC has very limited visibility on the Visit Wales website, and its promotional material. AC could be more proactive in presenting plans and ideas to Visit Wales for promotion. Equally, it does not appear that Visit Wales plays any co-ordinating or promotional role in the cultural sector.

Recommendation 65: that AC, together with other publicly funded cultural institutions perhaps via Historic Wales, should work on an ongoing basis with Visit Wales to maximise tourist interest. The following offer some ideas for collaborative work, and promotion, with Visit Wales:

- A 'culture month' or 'culture festival' could be considered on an annual basis (ahead of, or around St David's Day).
- With more collaboration, there should be more signposting to other culture / heritage activity in specific cities / towns (Visit Scotland promotes such connectivity, encouraging visitors to do multiple things in an area, instead of one, culminating in a day out involving larger spends in local economies).
- Greater participation and leadership in promoting European Heritage Days or Heritage Week could be considered as other ways of encouraging people to do a series of activities in a week / day in cultural heritage.

Effectiveness, efficiency and economy

13.67 In our opening paragraphs, we stressed that there is much to celebrate in relation to AC. However, as we recover from the impacts of COVID 19 and face an energy and cost of living crisis across the whole of the UK, there is work to do to ensure AC is the most effective and efficient it can be for the future.

13.68 The appointment of a new CE and, if our recommendation is actioned, a finance director, provides an opportunity to ensure that the overall organisation, structure and culture of AC is aligned with the 2030 strategy, fit for purpose and sustainable, both environmentally and financially.

13.69 AC's recent GIA settlements have been appreciated by AC. WG has provided protection for inflation and energy costs alongside capital support and project funding. Nevertheless, like the culture and heritage sectors across the UK, AC faces considerable headwinds. In recent years AC has been using reserves to support day-to-day spending. On present trends reserves will be exhausted by 2025/26 unless there is a significant increase in GIA. AC therefore needs to align income with expenditure in the short term through the implementation of a financial strategy and an organisational culture geared to income generation and cost control. We consider these issues in more detail below, but this snapshot sets the scene in relation to the imperative for greater efficiency.

13.70 Perhaps because of recent tensions, we detected a certain defensiveness in the SET. It was notable that, during the Panel's site visits and during engagements with managers and staff, SET members were almost always present throughout. While we appreciate SET devoting time to this, we noticed that, on the few occasions when alone with non-SET staff, they were much more forthcoming, but tended to fall silent in the presence of SET members.

13.71 When we probed on issues relating to organisational effectiveness with senior managers, there was a tendency to steer us towards governance with a "nothing to see here" attitude in relation to their own structures and organisation.

13.72 The new CE will, no doubt, wish to look at organisational culture and structure, with reference to this review. SET has a critical role in leading strategically, enabling and promoting managers to manage effectively. Middle management and, in particular, site managers should be encouraged to innovate and be entrepreneurial. Greater leadership at this level can free up SET time for organisational development and more strategic priorities; and result in a more sustainable organisation, from a leadership and succession perspective.

Recommendation 66: that the new CE should carry out a full review of structure, organisation and culture to ensure that they are financially and environmentally sustainable and aligned with the delivery of the 2030 strategy.

Policies, processes and strategy

13.73 As well as the areas highlighted during the review, we feel there needs to be clarity within AC and with WG on policies, processes and strategy. At times, these terms are used interchangeably, and there does not appear to be a clear structure on what policies and processes are needed. Trustees, staff and, at times, WG seem unclear what policies and processes are being followed. Many policies are out of date and others are referenced but impossible to find on the website. The development of a high-level culture strategy for Wales provides an opportunity to develop (alongside rather than as part of it) a more coherent set of policies and processes.

KPIs

13.74 As part of the review, we were provided with some KPIs to benchmark the performance of AC with other national museums in the UK and Ireland of similar scale. Discussion with SET and trustees suggested that this kind of benchmarking was not reviewed by AC, nor the other national museums on a regular basis, which could be useful. It raises a number of questions about commercial performance, visitor figures and staffing levels and we would suggest that colleagues at AC undergo a similar benchmarking exercise for their own benefit to help them set targets for their own KPIs. Performance data should be a key part of the management and governance of any business and yet, at the board meetings we have observed, financial performance data was not discussed. This could be explained by the fact that such reviewing takes place in the PPRC which includes all trustees. However, during our review, this committee failed to meet until mid-February. We cover the issues this raises around governance in that section and have made a number of recommendations there (see p.44-50). However, we welcome the creation and reporting of annual KPIs, with monthly targets.

Recommendation 67: the dashboard of KPIs should be revised to include financial reporting to board and relevant committee meetings.

Areas for improvement

13.75 Throughout the review, 5 main areas were highlighted as areas which could be holding AC back in terms of effectiveness. All five of these areas were referenced by AC colleagues, trustees and external stakeholders.

- ***Financial planning***

13.76 We have already referred to the need for a Finance Director appointment and the development of a financial strategy. AC is currently drawing upon reserves to meet current spending which is clearly not a sustainable proposition. Projected income and expenditure need to be brought into line over time and headroom created for capital investment and maintenance. Forecasting is on a cost-plus basis. Since over 80% of turnover is devoted to payroll costs, AC feels a zero-based approach would be overkill but a more strategic approach to budget setting is clearly required. The term of Government approach to the Remit Letter and indicative budgets over three years help forward planning but current fiscal pressures place this in jeopardy. In particular the income generation targets will need to be achieved and exceeded net of costs on a sustained year on year basis.

13.77 This lack of a long-term strategic approach affects AC's ability to make strategic decisions and needs to be reviewed as a matter of urgency. Whilst we appreciate the impact of short-term political decisions on funding, a long-term plan based on assumptions, with sensitivity analysis and accompanied by a risk register could be produced.

- **Condition of the historic estate**

13.78 Like many, if not all other national museums across the UK, AC has a significant capital backlog of works to their estate which needs addressing. Much work has recently been done on quantifying the backlog, which is in the region of £65 million. AC is responsible for important cultural and historic buildings. The investment in this estate over the years has not been at a high enough level to maintain it to an effective standard and, with increasing drivers to decarbonise the estates as well, it will require significant investment. On current projections the position will only worsen.

Recommendation 68: WG should work with AC (with advice from Cadw) to produce a long-term view of the capital investment needed in its Welsh Historic estate over the next 25 years.

- **Commerciality and income generation**

13.79 The recruitment of officers with skills in income generation by AC recently is very positive. However, as part of further recruitment, AC needs to include this requirement in other job descriptions, to develop the commercial capacity of AC and make this a function across the organisation, not one for a small department. Income generation should be embedded in the culture across the organisation. This needs to commence with the recruitment of the chair and CE and their approach to commercial development should be assessed as part of the recruitment process.

13.80 With a change of culture and upskilling of staff it is likely that AC can develop a more ambitious income generating approach and provide it with an opportunity to grow while reducing the proportion of public funding as part of its budget (always provided the income generated is additional to not a substitute for GIA). The new leadership provides an opportunity for a fresh vision on income generation and AC should aim to develop a new Income Generating strategy (building on the current one) within a year of the new chair and CE commencing their posts.

13.81 Current policy in Wales, in common with the rest of the UK, is not to charge for admission to national museums. Although local museums which do not receive revenue support could charge, in practice it is difficult for them to do so, especially if they are near an AC site. On the other hand, Cadw does charge for admission to 26 of its 131 sites, which appears on the face of it to be logically inconsistent. The policy of not charging was introduced across all national museums in 2001. We have been informed that when charging was removed, visitor numbers increased by 50%. There are also VAT benefits for capital developments for free museums and issues such as eligibility for National Lottery funding must be borne in mind. The PT has advised us that free access is a political decision but that WG does encourage paid-for exhibitions (outside of the national collection) since it understands the need for AC to be financially sustainable. We also note here, since we received mixed messages from our evidence base, that there is no policy direction from WG which would preclude AC from exploring the introduction of charges outside access to the national collection.

13.82 GIA will always need to be the principal source of income for AC but, given fiscal pressures, a decline in the quality of its offer is inevitable unless more flexibility can be introduced. We agree that entrance to the sites should remain free, but we conclude that further examination of the following options would be beneficial:

- The ability to charge for special exhibitions and “visitor experience” elements such as going underground at Big Pit. We commend the practice at the National Coal Mining Museum Wakefield, whereby visitors going underground are asked to pay a £5 deposit for a token. Over 90% of visitors do not reclaim the deposit. The “JobaKnock” scheme at Big Pit which charges £5 to book a slot for an underground ticket has seen good take up. Such schemes also enable planning of visits to avoid disappointment and provide visitor data for AC to develop its services.

- A professional review of the catering and retail offers at AC sites.
- More donation points placed more strategically.
- A review of car parking charges where applicable.
- More cross marketing with other local attractions.
- As noted previously, a review of the income generating capacity of the spaces e.g. for events, sponsorship, naming rights and philanthropic donations.
- Enhanced retail offering, including online presence.
- Venue and site hire for major events.

13.83 There is rightly praise for the work AC has done coming out of COVID to commercialise its offer and it has produced a very ambitious Income Generation Strategy for delivery over the next few years. Despite this, there is an ongoing discussion with WG, trustees and stakeholders about whether it can do more. Having visited all AC sites, it is certainly true to say that in some cases the cafés could be better, the shops could sell different things (perhaps referencing the collections more) or more could be done to push donations and corporate sponsorship. However, all of these things are covered in the commercial plan, and we are told that it is on track in terms of financial targets. To really make a step change in commerciality, AC and WG need to work together to understand what would be possible and politically acceptable in terms of generating income from the sites while of course paying attention to affordability and the need for concessionary rates.

Recommendation 69: that AC should remain free at the point of access, but WG should advise on the boundaries for income generation from the estate and collections with a view to enabling AC to generate more income in addition to GIA.

Recommendation 70: that commercial skills and understanding be included in the role description of a wider range of staff and trustees so that, over time, an entrepreneurial culture becomes embedded in the organisation.

Recommendation 71: that AC reviews its current income generating activities and identifies how it can resource the generation of additional income, with the aim of developing a new income generation strategy within a year of the new chair and CE commencing their posts.

- **A “Cardiff centric approach”**

13.84 When speaking with staff, trustees and stakeholders, they often refer to AC when actually they are just referring to National Museum Cardiff; many stakeholders were unable to name all AC venues, and on visiting each site, there is certainly a feeling that attention and resource is focused on National Museum Cardiff and St Fagans. Staff across the service raised issue with this approach and the challenges of centralised management vs local focus. There are also questions about the quality of the visitor offer across all venues and whether all live up to the standard of a National Museum.

13.85 A number of interviewees commented that AC is a largely serendipitous collection of museums rather than a single museum. This prompted us to consider whether Amgueddfeydd Cenedlaethol Cymru/National Museums Wales might be a more appropriate title to reflect the fact that AC is a collection of very different often geographically dispersed museums and not just the Cathays Park building which many people think of as the national museum. The official name of AC under its Charter is Amgueddfa Cenedlaethol Cymru/National Museum of Wales but AC has recently rebranded as Amgueddfa Cymru/Museum Wales following an extensive professional research process. Wales has relatively few national institutions. We were fortunate to have a chair and a director of national museums on our panel and we do think the term “national” is an important signifier, especially when other nations such as Scotland and Ireland have na-

tional museums. We do not make a recommendation here since the re-branding has recently been completed, but note the issue for future reference when AC next considers re-branding.

Recommendation 72: that when reviewing the structure, the board and executive should include consideration of what standards are expected of a national museum and whether all sites reach them, together with a review of the balance of centralised and devolved management of the sites.

- ***Collection management across Wales***

13.86 The historic collection of Wales is currently collected and cared for through a variety of organisations but, of course for the public, they all form part of the National Collection. The people of Wales have the right to access the National Collections and be sure of their care regardless of the collecting organisation, but during the course of the review, there has been confusion over who collects what, which we believe is making it more difficult than it needs to be. AC, RCAHMW, the National Library and Cadw were all established to collect and care for Welsh heritage. They need to focus on working together to do this in the best interests of the people of Wales. WG has now begun a review of collections storage needs which is being conducted by a collections expert. We believe this should be widened (or a separate review commissioned) of collections policies for the National Collection of Wales.

Recommendation 73: that the review of collections storage needs be widened (or a separate review commissioned by WG) of the National Collection of Wales, to provide guidance, perhaps via the Historic Wales Partnership, on which organisation should be responsible for collecting the components comprising the National Collection.

14. Opportunities for investment, growth and shared services

Introduction

14.1 AC is facing significant challenges, along with other public bodies, over the next few years, therefore if it wants to develop and grow (or even retain its current work), it needs to be more creative and develop new sources of income and new ways of working. This may challenge its traditional ways of working.

14.2 Over the past decade there has been a strong theme in Welsh public life that some of the challenges and capacity issues can be resolved by greater joint working and collaboration. This can cover a wide range of options from two or more organisations working together on an activity or project to the merging of a number of whole organisations to create a new organisation. While there are a number of examples of good practice in relation to this, there are an equal, if not greater number of examples where projects have not been successful. A key challenge for AC is how it can develop successful collaborative initiatives that support the delivering of its outcomes while also contributing to the wider aspiration of the WG and partners.

Back-office services

14.3 A significant focus has been given to joint working in back-office functions and while there are some benefits from economies of scale, they rarely lead to significant cost cutting and can often be offset by greater bureaucracy and lack of clarity in decision making.

14.4 However, AC, along with the National Library, Cadw and RCAHMW have recently issued a joint tender to assess possible savings through collaboration on back-office services. The PT led on this process with input from the partners. No tenders were received. The PT would welcome AC, as the biggest partner, taking a lead in this area. While some interviewees were sceptical of the benefits of shared services, if work could be progressed, it should provide a valuable assessment of any potential collaboration and cost saving options. Failing that, other options should be explored by WG e.g. via conditions of funding. There may be benefits in specialist areas where the good practice of one could be shared with others. In view of this, there should be a commitment from all partners to take forward any recommendations (e.g. in areas such as payroll, procurement, internal audit, capital project management) and WG could consider providing funding on an invest-to-save basis to implement these recommendations. Such an approach would be complementary to savings that could be generated from our proposals above in relation to shared storage and collections policies.

Recommendation 74: that AC, along with the National Library, Cadw and RCAHMW, commit to implementing shared back office services where appropriate and cost effective and that WG consider other options such as funding conditions to secure the desired outcome.

Recommendation 75: WG should consider providing funding to implement the changes on an invest to save basis.

Place-based collaboration

14.5 While an organisation such as AC wishes to retain its autonomy, it is providing a public service and, along with partners, needs to identify how its work delivers this service and the experience for the user.

14.6 AC sites do not function in isolation and on three sites they function in close proximity to other heritage sites, these are:

- Blaenavon – Big Pit and the Blaenavon Ironworks (managed by Cadw) both of which form component parts of the Blaenavon Industrial Landscape World Heritage Site.

- Caerleon – National Roman Legion Museum, Caerleon Roman Fortress Baths and Caerleon Amphitheatre (both managed by Cadw).
- Llanberis – National Slate Museum and the Slate landscape of Northwest Wales World Heritage site.

14.7 On all three sites, there is key input and partnership with the relevant local authority. When visiting the sites, the offering by various public bodies lacks cohesion. For example, entry to the Roman Museum in Caerleon along with the Amphitheatre and access to the remains of other parts of the Roman Fortress is free, while there is a charge to visit the Fortress Baths. All sites provide different guides. We agree with Dr Simon Thurley that it is reasonable to expect a visitor to Caerleon would be interested in visiting all sites and would benefit from a coherent interpretation approach that tells the story of the location. In addition to site management, other partners such as local authorities deliver services that impact on these locations. An example of this is Llanberis, where Gwynedd County Council manage the nearby car park.

14.8 There is considerable benefit in all partners working together to develop place plans that contribute towards a seamless experience for visitors. This should include issues such as transport and access to sites, interpretation, marketing, food offering and commercial opportunities. These place plans may provide a framework for collaboration that protects individual organisations while providing a better visitor experience. We are therefore pleased to note that Cadw has initiated a discussion between AC, Newport CC and Cadw to develop a collective vision for Roman Caerleon to inform a collaborative future partnership. We hope our recommendation below will give impetus to that process and provide a model for other historic places in Wales.

Recommendation 76: that AC should work with partners such as Cadw and local authorities to develop place plans for Blaenavon, Caerleon and Llanberis, thus providing an integrated customer experience for historic and cultural attractions in those areas and supporting the local economy.

15. Implementation

15.1 We are conscious that we have produced a large number of recommendations which will require considerable resource to work through. In many cases this will be staff time which carries an opportunity cost, but in other areas financial support will be required either from re-allocation within AC or external investment. However, we have been careful not to put forward proposals that are clearly unaffordable. Much of what we propose could be achieved within available resources through changes of culture, organisation and partnership working. A huge amount of diversionary, costly and nugatory work has been devoted to recent events. Under new leadership that can now be re-purposed. We are confident that AC will become a more sustainable, investible proposition if our reforms are implemented.

15.2 Some of our proposals may generate savings as well as costs e.g. the appointment of a finance director. We understand that an implementation budget of £750k accompanied the National Library of Wales Tailored Review. We therefore think it reasonable, while acknowledging fiscal challenges, for a similar one-off sum to be earmarked for AC to meet part of the direct costs of our review.

15.3 We do not believe that reviews such as these should be bidding vehicles for resources or special pleading, so we suggest the following criteria to underpin any implementation support:

- it should be directly related to the implementation of our report.
- AC should produce a business case to support release of funds, including any possible AC or third-party contribution.
- implementation should be monitored through partnership working arrangements.

- implementation should be completed within a calendar year of the publication of our report wherever practicable.

15.4 Once decisions have been made on our recommendations, WG and AC working together should produce a costed plan so that decisions can be made on resourcing. This might be achieved through a task and finish group of trustees, senior executives and WG officials which could oversee implementation and report on progress.

Recommendation 77: that WG/AC establish a task and finish group of trustees, senior executives and WG officials to oversee implementation, report on progress and produce a costed action plan for implementing approved recommendations.

16. Conclusion

16.1 We end where we began. There is a huge amount to celebrate in the work of AC. It is a jewel in the crown of Welsh culture. We put forward a programme of work to WG and AC which, in our view, will enable AC to move forward in partnership with other organisations and with the full support of the Welsh Government, as a lynchpin of the cultural regeneration of Wales.

Report Annexes

Annex 1

Glossary of terms

AC - Amgueddfa Cymru/National Museum Wales

ACW - Arts Council of Wales

AI - Artificial Intelligence

AO - Accounting Officer

AAO - Additional Accounting Officer

AW - Audit Wales

ARAC - Audit, Risk and Assurance Committee

BLM - Black Lives Matter

CE - Chief Executive

DG - Director General

EDI - Equality, Diversity and Inclusion

GIA - Grant in Aid

MoU - Memorandum of Understanding

NMDC - National Museum Directors Council

NMI - National Museum of Ireland

PBU - Public Bodies Unit

PPRC - Planning, Performance and Resources Committee

PT - Culture and Sport Partnership Team within Welsh Government

RCAHM - Royal Commission on the Ancient and Historical Monuments of Wales

RemCo - Remuneration Committee

SEP - Strategic Equality Plan

SET - Senior Executive Team

SID - Senior Independent Directors

ST - Senior Trustee

TOR - Terms of Reference

WCVA - Welsh Council for Voluntary Action

WG - Welsh Government

WGSB - Welsh Government Sponsored Body

Annex 2

Review Panel Members

- **David Allen OBE**, former chair of the Higher Education Funding Council for Wales (chair)

David hails from Barry and graduated from Swansea and Cardiff universities. He is currently a Principal Consultant at the Halpin Partnership, mainly directing governance reviews of universities. Until recently he chaired the Higher Education Funding Council for Wales and he has also chaired Exeter College, an Ofsted Outstanding further education and tertiary college and been Acting Chair and Vice-Chair of Torbay and South Devon NHS Foundation Trust. In his executive career, senior posts included Registrar and Deputy Chief Executive of the University of Exeter and Registrar and Secretary of the universities of Nottingham and Birmingham. He is the only person to have chaired the Russell Group Registrars, the UK Association of University Administrators and the Association of Heads of University Administration. He was appointed OBE in 2012 for services to higher education, awarded the honorary doctorate of LLD from Exeter in 2013 and is a Fellow of the Learned Society of Wales. He has a long standing interest in arts and culture, including oversight of the Barber Institute in Birmingham, the University of Nottingham Arts and DH Lawrence Centres and the Northcott Theatre in Exeter.

- **Sir Paul Silk KCB**, onetime Clerk of the then National Assembly for Wales (vice-chair)

Paul Silk was born in Crickhowell and lives near there now. Most of his career was spent as an official at the House of Commons, but he was also Clerk of the National Assembly for just under six years from 2001. From 2011 to 2014, he chaired the UK Government's Commission on Devolution to Wales. He was also a member of the 2017 Expert Group on the Size and Electoral Method of the National Assembly. Recently, he has mainly been working on parliamentary strengthening programmes around the world. He also chairs the Membership Selection Panel for Glas Cymru and the Governance Reform Working Group of the Church in Wales. He is an honorary professor at Cardiff University, an honorary fellow of Aberystwyth University, an honorary Doctor of the University of the Open University and a Fellow of the Learned Society of Wales.

- **Catherine Heaney**, chair of National Museum of Ireland

Catherine Heaney is a strategic communications and leadership specialist with 25 years' experience. She is based in Ireland.

She works as consultant at DHR Communications, a company she founded 18 years ago. She has led influential, public-interest campaigns in the cultural heritage, human rights, regulatory, health and education sectors.

Under her leadership, DHR Communications was recognised for its CSR programme in successive national CSR awards in Ireland. She was appointed as Chairperson of the Irish Government's Forum on Corporate Social Responsibility and has led on the implementation and reporting of Ireland's most recent CSR action plan.

Catherine has considerable, non-executive leadership experience. She is Chairperson of the National Museum of Ireland, as well as Chairperson of the Citizens Information Board. Outside of the statutory sector, she is a trustee of the charity, One in Four.

Catherine studied journalism at undergraduate level and criminology at postgraduate level at TUI Dublin. She holds an MPhil in Public History and Cultural Heritage from Trinity College Dublin. Her area of research lies in the use of cultural heritage practices in supporting the 'just transition' of industrialised landscapes.

Catherine undertakes continuous professional development. She is a graduate of the prestigious Global Strategic Communications Programme at Columbia University in New York; she has a level-five QQI in employment law; she has undertaken several short programmes in corporate governance; and she is, currently, a participant in the CPD in Sustainable Green Organisations programme at Trinity College Dublin.

- **Laura Pye**, Director, National Museums Liverpool

Laura Pye joined National Museums Liverpool in August 2018. Born in Liverpool, Laura returned to the city following several years as Head of Culture for Bristol City Council, with responsibility for five museums in the city.

Prior to moving to Bristol, Laura was interim Heritage and Culture Manager for Warwickshire County Council, covering a similar mix of services to Bristol, including the Museums and Archives, Arts, Archaeology and Ecology teams.

Laura's early career in museums was focused mainly on museum education and she has a wealth of experience of working in the North of England, across Liverpool, Yorkshire and Lancashire.

- **Tegryn Jones** (from 20 October 2022), CEO of Pembrokeshire Coast National Park Authority

Tegryn Jones is Chief Executive of the Pembrokeshire Coast National Park Authority. Originally from Lampeter in Ceredigion, he lives in Llangwm, Pembrokeshire. He has a degree in Geography from Aberystwyth University, an MBA from the Open University and postgraduate qualifications from the Institute of Education, London and Queen Margaret University, Edinburgh. He has previously worked for Keep Wales Tidy, the General Teaching Council for Wales, Swansea University and Urdd Gobaith Cymru. He has previously been a trustee of the Youth Hostel Association, the DPJ Foundation, which supports farmers with mental health issues and UNA Exchange a charity that supported young people to undertake international exchanges.

Tegryn is currently chair of Governors of Ysgol Caer Elen, a 3-16 Welsh Medium School and is chair of the UK National Parks Charitable Foundation.

- **Efa Gruffudd Jones** (until 17 October 2022), now the Welsh Language Commissioner
Originally from Morriston, near Swansea, Efa Gruffudd Jones received her secondary education at Ysgol Gyfun Ystalyfera, before going to Aberystwyth University to study in the Welsh Department.

She has followed a career that has combined her interest in the arts, and in the Welsh language. She worked for the Welsh Language Board and the Arts Council of Wales before being appointed Chief Executive of Urdd Gobaith Cymru, Wales's largest youth organisation, in 2004.

In 2016, she was appointed Chief Executive of the National Centre for Learning Welsh, which is the body funded by the Welsh Government to provide strategic guidance in the field of Welsh language teaching in Wales for adults in Wales. During her time there, the Centre developed a new curriculum and resources, with an emphasis on digital resources, and led to the establishment of innovative projects, including 'Work Welsh'.

Until recently, Efa was chair of the board of Theatr Genedlaethol Cymru. She was also Vice-Chair of CWWYS, a trustee of the WCVA, and a member of the Welsh Language Partnership Council.

Efa was a panel member for the tailored review of National Library of Wales. She resigned as a panel member for the tailored review of National Museum Wales when it was confirmed she was the preferred candidate to be Welsh Language Commissioner. Efa started as Welsh Language Commissioner in January 2023.

- **Professor Aaqil Ahmed**, Director, Aaqil Ahmed Media Consultancy (co-opted Panel Member to advise on Equality, Diversity and Inclusion
Aaqil Ahmed is the former Head of Religion and Ethics at both Channel 4 and the BBC. At Channel 4, he was also the Head of Multicultural Programming. He has won numerous awards from EMMY to BAFTA and has an Oscar nomination. Aaqil is currently a Non-Executive Director at the Advertising Standards Authority, media and communications regulator OFCOM and The Bradford Literature Festival. He is also a member of council of The Higher Education Funding Council for Wales and a Senior Independent panelist for Public Appointments made by the Welsh Government.

Aaqil runs media production and communications consultancy, Aaqil Ahmed Media with a number of clients in the media, broadcasting, festivals, education, training Government and the corporate sector.

Aaqil is Professor of Media at the University of Bolton and teaches at a number of Universities in the UK. He is a published writer, speaker, event chair and leader in media, diversity, religion, demographics and culture.

Annex 3

Terms of Reference

This review is part of the Tailored Review programme in Wales to encourage a more proportionate and collaborative approach to reviewing our Public Bodies. In conducting Tailored Reviews, due consideration is given to the guidance and methodology published by the Cabinet Office in Tailored Reviews: Guidance on Reviews of Public Bodies.

Amgueddfa Cymru: National Museum Wales (Museum) is an Executive Welsh Government Sponsored Body (WGSB), established by Royal Charter, and receives the bulk of its funding from the Welsh Government (WG). It is also subject to the regulatory oversight of the Charity Commission, and therefore regulated by both the WG and the Charity Commission.

Several discussions and workshops were held with the Group, consisting of the Partnership team (Culture Division), appointed Board of Trustees and Senior Executive Team (SET), including the Director General and Accounting Officer, and key Heads of the Museum to agree the terms of reference, nominate review panel members and identify the key skills and characteristics required, as well as agree stakeholders and methods of engagement.

The Group will agree the relevant documents and other Reviews that need to be considered as part of the Tailored Review. These will include an update on the Thurley review done in 2017, the Welsh Government (WG) Governance Document Review, and a benchmark exercise comparing with sponsored museums elsewhere in the UK, specifically those with parity to the Museum.

The appointed independent Review Panel members will visit some Museum sites across Wales, reflect on the key documents, relevant reviews and the conversations held with the individual members of the Group and key stakeholders. Draft reports will be discussed with the Group, before a final draft will be submitted for scrutiny to a subgroup of the Efficiency Board.

Prior to publication, the report and its recommendations will be shared with the Deputy Minister for Arts and Sport, and Chief Whip, the Minister for Economy, the Minister for Social Justice who has oversight responsibility for Welsh Public Bodies and the First Ministers.

An independent team within the Public Bodies Unit (PBU) will facilitate the review and provide secretariat support to the Group and the Review Panel members.

AIM OF THE REVIEW

2.1 Cabinet guidance states the aim of tailored reviews is to provide a robust challenge to and assurance on the continuing need for individual organisations (form and function) and where this is agreed, to review its capacity for delivering more effectively and efficiently, including potential saving efficiencies and contribution to economic growth.

2.2 The Tailored Review (TR) will assess in particular:

- the control and governance arrangements in place to ensure that the Museum is aligned with WG's control and governance frameworks and in the context of the Museum being a registered charity, that these directives are optimal for the organisations' effectiveness
- the Museum's current delivery and capacity for delivering more effectively and efficiently, including identifying the potential for efficiency savings, and where appropriate, its ability to contribute to economic growth, and/or play a greater role in Welsh society.
- the relationship with Welsh Government, including the potential for the Museum to make a greater contribution to Welsh society and economy.

3. KEY PRINCIPLES

The review will be conducted in line with the following principles:

Confidentiality

Proportionality

Collaboratively

Open and transparent

Inclusivity

Equality and diversity

3.1 Not all review panel members have to be present at all meetings or discussions (“interviews” with Group and key stakeholders). Notes will be made and stored securely, with access only to Review Panel members and the WG tailored review team. Potential sensitive information will not identify an individual or organisation without their written consent.

3.2 The terms of reference have been agreed to focus on maximising the Museum’s effective delivery on its 2022 published strategy, by considering previous and current reviews, audit reports and performance assessments and best practice, considering restrictive practices or barriers to the optimising of its objectives and remits.

3.3 The Tailored Review (TR) scope and terms of reference and mechanism thereof have been collaboratively agreed by the Group via discussions, workshops and correspondence. Virtual working has significantly increased availability of the Group, which resulted in positive discussions and consensus.

3.4 Discussion notes have been shared with everyone in the Group to allow continuous feedback. This transparency will continue with the review panel members presenting drafts to the Group at key points to ensure it is accurate and there are no surprises. All media and public communication will be jointly managed with early notification to relevant parties to ensure the necessary timelines are respected and adhered to.

3.5 All members of the appointed Board of Trustees, Senior Executive Team, and relevant Heads of Departments, as well as the Partnership team were invited to meetings and had the opportunity throughout to feedback. A wide range of stakeholders as appropriate and proportionate to the terms of reference were considered for inclusion in this review.

3.6 Equality and diversity is interwoven in the Museum’s strategy, with impact considered in its planning and delivery. This was considered an important aspect in the nomination of the Review Panel members, with one of the key skills considerations for panel members having championed or extensive leadership experience of equality and diversity or actual lived experience of some of the protected characteristics.

TERMS OF REFERENCE

The terms of reference have been agreed by the Group, referring to the Guidance of Cabinet. The review Panel member team will consider available data sources, which includes the document pack, updates on relevant reviews, and the conversations with the Group and key stakeholders.

4.1 Form and Function

As the Museum is fundamental and a symbol of Wales’s heritage, it is accepted that the Museum is needed.

The Tailored Review (TR) should reflect on the WG Document Review to consider if the Museum’s status as a registered Charity and classification of an Executive WGSB remains appropriate to deliver its objectives and remits.

The TR should consider how the Museum aligns its objectives and strategy to the Welsh Government’s Programme for Government, other priorities in the Remit Letter and delivers its statutory obligations.

4.2 Effectiveness, Efficiency and Economy

The Tailored Review should assess –

how the Museum can be more effective in delivering on Charter objectives, Welsh Government remit and its own strategy;

if a change in structure and how the Museum is governed will optimise delivery on future priorities in its strategy, strategic commitments, and its enablers;

how effective and relevant the metrics used for assessing performance are;

how agile and robust to maximise on opportunities presenting itself; and

the Museum's impact on Welsh society and economy, as well as globally.

4.3 Opportunities

The Tailored Review should aim to identify the opportunities to deliver the Programme for Government and Amgueddfa Cymru's strategy including:

opportunities for investment and growth in the Museum's services for the future

shared service agreements and / or potential shared key arrangements with other (cultural) organisations, if there is potential for cost and efficiency savings in current operations and how they are delivered without reducing or diminishing these services for the public.

4.4 Governance

The Tailored Review should consider the governance arrangements with regard to the following principles (referencing to existing reports where applicable) -

Statutory accountability (applicable statutes, regulations, statements of best practice, GDPR, FOIs, Social Partnership and Public Procurement (Wales) Bill, Equality Act, Welsh Language Act and other relevant strategies)

Accountability for public money (accountable for the use of public money and the stewardship of assets)

Adherence to the Nolan Principles, as well as the Museum's own Regulations and Code of Conduct

Ministerial accountability (overall performance and oversight of the body, which includes appointment of CEO and Trustees), as well as consider

Democratic accountability (i.e., governance based on feedback and the learning from experience) and its fit into the Museum's governance framework for the future

In particular, the Tailored Review should examine the management and governance structures and accountability, which includes the Museum's Senior Executive Team, including the Accounting Officer, key roles in the Museum, the Board and its subcommittees, as well as independent members or specialists.

4.5 Organisational Performance

Assess whether the processes for agreeing targets and how they are measured and monitored are fit for purpose in relation to WG remit and Programme for Government.

Explore recruitment practices, training and development analysis and delivery within the context of the need of a changing organisation.

Evaluate current performance appraisals processes across the Senior Executive Team and the Board of Trustees.

Appointment of Trustees and Specialisms

Consider diversity and representation of the Welsh nation (Board diversity covered in Museum's 5-year plan) in line with Reflecting Wales in Running Wales by reviewing:
current appointment processes (Both WG and Museum-led);
current recruitment criteria, identifying barriers or restrictions and opportunities for greater diversity;
role(s) of recruiting independent members for specialist roles/functions
Consider feasibility of a nurturing model of governance to support more Board members.

4.7 Achieving Excellent Relationships

Examine the culture, responsiveness and transparency of the Welsh Government, the Board of Trustees and the Executive in their relationships and scrutiny of operations and conduct.

Consider the sufficiency and equity of the processes for investigation and reporting of issues, and support and guidance for all parties, when there is a breakdown in relationships at any level. Review the scope of Welsh Government powers especially in relation to any escalation processes and the sufficiency and effectiveness thereof.

Consider whether the role and of Welsh Government Sponsorship and the Public Bodies Unit, is aligned with the framework document, annual remit and CEO letters.

5. METHODOLOGY

Discussions and workshops to agree the focus for the terms of reference within Cabinet guidance framework.

Review Panel members nominated by the Group, with selection made on key skills and expertise, as well as expertise or lived experience of diversity.

Review Panel members will visit a selection of museums across Wales to give them the tourist experience as well as a look at the "behind-the-scenes" work involved.

A benchmark exercise completed by the Public Bodies Unit Tailored Review Team will consider comparable UK Museums, looking at funding, governance structures, objectives and remits. Recent relevant reviews and reports will be considered as part of this review.

A virtual document pack will provide the necessary information for the initial desktop research by the Review Panel members.

Review Panel members will meet with individuals from the Senior Executive Team, key Museum staff, Board of Trustees and following stakeholder analysis, identify key stakeholders to further inform the Report.

The Tailored Review is transparent with a no-surprise ethos and drafts of the report will be shared with the Group. The Review Panel members are the responsible authors but can be challenged to strengthen the report and its recommendations.

The timetable will be agreed once diary availability of the Group and stakeholders are matched with that of the Review panel members. First draft is tentatively agreed for October with final report in December but emphasis on tailoring the review to achieve the best outcome rather than expectations of set timetables or other influences.

6. STAKEHOLDERS

Stakeholder analysis should be done at an early stage.

Agreement as to how stakeholder analysis is to be done, i.e., focus only on those groups with high influence, or high interest, or high influence and interest – this will be part of terms of reference.

As part of the process need to agree balance of looking forward and learning lessons to ensure right balance of appropriate stakeholders.

Methodology of engagement – workshop/focused group interviews, open interviews with diverse random groups? These could be done virtually, face-to-face or a blend of the two.

Consider if the following groups are appropriate:

Stakeholder list from the Museum's community engagement programmes including Fusion and other initiatives.

Partnership organisations with whom the Museum has MoU;
Representatives from cultural services and local authorities with a mix of local authorities;
Representatives from Minority Ethnic Groups;
Former Museum Trustees who had served prior to the COVID -19 pandemic, those who had served from 2010 until 2016 as well as others involved with the Museum;
Stakeholders from Museums and cultural organisations, with strategies that align with that of Amgueddfa Cymru, elsewhere in the UK and Ireland.
Partners who collaborate on Museum's public programmes and research;
Funders;
Arts and Culture Bodies in Wales;
International

Annex 4

The tailored review panel would like to thank the following for their contribution:

Amgueddfa Cymru

David Anderson (Director General)
Baroness Kay Andrews (Trustee)
Dr Carol Bell (Vice President)
Phil Bushby (Director of Corporate Resources)
Elizabeth Connolly (Head of Human Resources)
Kath Davies (Director of Collections and Research)
Catherine Duigan (Trustee)
Manon Edwards Ahir (Head of Planning and External Affairs)
Elisabeth Elias (previous President)
Nia Elias (Director of Business Development)
Eleri Evans (Head of Learning and Interpretation)
Caroline Garnett (Head of Finance)
Jennifer Geroni (Head of Research)
Madeleine Havard (Trustee)
Gwyneth Hayward (Trustee)
Carys Howell (Trustee)
Peter Holt (Chief Operating Officer)
Rachel Hughes (Trustee)
Sioned Hughes (Head of Public History and Archaeology)
Rob Humphreys (Trustee)
Hywel John (Treasurer)
Hywel Ceri Jones (Trustee)
Janice Lane (Director of Visitor Experience)
Abigail Lawrence (Trustee)
Bethan Lewis (Head of Museum: St Fagans)
Roger Lewis (President)
Eleri Lynn (Head of Exhibitions and International Touring)
Mared Maggs (Head of Events)
Steph Mastoris (Head of Museums and National Waterfront Museum)
Mark Petherick (Corporate Governance Manager)
Michael Prior (Trustee)
Elen Roberts (Interim Head of Site: National Slate Museum)
Marc Simcox (Head of Enterprises)
Royston Smith (Head of ICT)

Freya Stannard (Trustee)
Catrin Taylor (previous Head of Marketing and Communications)
Richard Thomas (Trustee)
Rheon Tomos (Independent member of Audit, Risk and Assurance Committee)
Neil Wicks (previous Chief Operating Officer)
Cai Wilshaw (Trustee)
Nia Williams (Director of Learning and Public Programmes)

Stakeholders

Aberystwyth University
Arts Council of Wales
Audit Wales
BBC
Cadw
Cardiff University
Chartered Institute of Public Finance and Accountancy
Charity Commission for England and Wales
Creative & Cultural Skills
Diverse Cymru
English Civic Museums Group
Eryri National Park Authority
Ethnic Minority Youth Support Team
FDA Union
Federation of Museums & Art Galleries of Wales
Glyndŵr University
Gwynedd Council
Hamlyn Foundation
Historic Wales Partnership
Indian Society of South West Wales
Innovate Trust
Museum Für Naturkunde (Berlin)
Muslim Council of Wales
National Library of Wales
National Museum Directors' Council
National Museum of Ireland
National Museums Northern Ireland
National Museums Scotland
Natural Resources Wales
Now in a Minute Media
Office of the Future Generations Commissioner
Open University
Pembrokeshire Coast National Park Authority
People's Postcode Lottery
Prospect Union
Public Health Wales
Race Council Cymru
SEF Cymru
Visit Wales
Wales Council for Voluntary Action
Welsh Language Commissioner

Welsh Government

Tara Croxton (Senior Events Manager)
Steve Davies (Head of Group Integration)
Craig Greenland (Head of Diversity and Honours)
Dr Nicola Guy (Deputy Director – Culture)
Catrin Hughes (Senior Advisor – Strategy, Programme & International)
Peter Kennedy (HR Director)
Sara Maggs (Museums and Collections Advisor)
Sally Rees (Head of Evaluation and New Models of Care)
David Richards (Director of Propriety and Ethics)
Steffan Roberts (Deputy Director – Tourism Development and Sport)
Victoria Rogers (Head of Museums, Collections & Workforce)
Andrew Slade (Director General / Additional Accounting Officer)
Jason Thomas (Director Culture, Sport and Tourism)
Paula Walsh (Deputy Director International Relations)
David Warren (Head of International Relations)

The following were contacted and invited to contribute:

Adult Learning Wales
All Public Services Boards
Alzheimer's Society
Bannau Brycheiniog National Park Authority
Chwarae Teg
Children in Wales
Children's Commissioner
Confederation of British Industry
Council for Wales of Voluntary Youth Services
Cwmpas
Disability Wales
Equality & Human Rights Commission
Ethnic Youth Support Team
Football Association of Wales
Global Welsh
Juke Box Collective
Llamau
National Heritage Lottery Fund
North Wales Regional Equality Network
Older People's Commissioner
Oxfam Cymru
PCS Union
Race Equality First
Stonewall Cymru
Sub-Sahara Advisory Panel
Unique Transgender Network
Welsh Local Government Association
Welsh NHS confederation
Welsh Refugee Council
Women's Equality Network Wales

Annex 5

Draft Dispute Resolution Process [in the event informal and mediation processes are exhausted]

1. The AAO shall be informed by the AO of any material high-level disputes or disagreements as soon as they become apparent. In the event that the AO is compromised or fails to do so, the AAO can be informed by any other competent third party, such as the senior trustee role we propose, the independent chair of audit or a senior WG official.
2. On being informed, the AAO should arrange an early discussion with the chair and CE together or separately, at the discretion of the AAO.
3. If the AAO forms the view that the matter relates to the chair and the CE and is not reasonably likely to be resolved by internal processes, the AAO should inform the trustees in confidence and indicate that this process may be invoked.
4. The Deputy Minister should be informed by the AAO in order that co-ordinated and equitable action can be taken by the Deputy Minister in relation to the chair, and the AAO in relation to the AO.
5. The Deputy Minister and the AAO shall decide whether the Deputy Minister and/or the Trustees should request (in the absence of formal powers) the chair to step aside on full pay (if remunerated), pending investigation.
6. Alongside 5 above, the AAO should consider whether it would be in the best interest of the Museum for an alternative AO to be identified pending investigation.
7. In the event that the chair and CE agree to step aside pending investigation, the vice-chair (unless conflicted) would act as chair and the AAO would appoint an interim AO.
8. Having been informed, the trustees (as the AO's employer) would need to decide whether the AO should be suspended on full pay from executive duties, pending investigation.
9. This process could be formalised and be included in the contract of employment of the CE and the terms of engagement of the chair and annexed to the Partnership Agreement at some point in the future. [Note: it would be preferable for there to be a contractual power to suspend in the contracts of the chair and CE].
10. In the event that action is taken under this process, the Charity Commission, the Auditor General for Wales and, confidentially, the appropriate Senedd committees, should be informed by AC, in consultation with WG.

Annex 6

Diversity checklist

1	We collect and report equity/diversity data when recruiting members.
2	We target advertising in publications/websites/social media aimed at particular sectors of the population.
3	We build relationships, for example with ethnic minority communities.
4	We use role models on the basis of 'you have to see it to be it'.
5	We use bespoke equity statements to target applicants who are particularly sought, rather than generic statements.
6	We avoid all-male or all-white shortlists and we re-advertise if that is the outcome.

7	If we use executive search firms, we are specific in the brief about the need for diversity and make sure we are clear as the client about its importance. We take account of an executive search company's prior success in gathering diverse fields in their selection process.
8	We use diverse selection panels which have received unconscious bias training.
9	We provide development opportunities for board, giving them exposure to the lived experience of those with different characteristics to them.
10	We invite bodies electing members to reflect on their own processes to the extent that they encourage a diverse outcome, or otherwise.
11	We reflect on board membership and its composition over, say, the past 5-10 years. What are the trends?
12	We investigate contemporary developments in other sectors to experiment e.g. with apprentice non-Executive Directors.

Annex 7

Summary of Recommendations

Recommendation 1: that WG acknowledges the good work AC does for Wales and is more proactive in promoting this.

Governance

Recommendation 2: that AC prepares a revised, modernised and simplified Corporate Governance and Standards Code of Practice.

Recommendation 3: that, consistent with the recommendations of the tailored review of the National Library of Wales and the review of Chartered Bodies, AC should continue to be incorporated by Royal Charter.

Recommendation 4: that AC remain a registered charity, existing for the public benefit.

Recommendation 5: that the Governance Manager should prepare a schedule of compliance with the Governance Code for Larger Charities and that, where AC is not compliant, an appropriate explanation be provided in its Annual Report.

Recommendation 6: that a Partnership Agreement be drawn up, in consultation among PT, PBU and AC and implemented as soon as practicable to replace the Framework Agreement.

Recommendation 7: that WG supports the principle of easy access for AC to all parts of WG to which it can contribute and facilitates it either through a designated official or via some other appropriate intervention.

Recommendation 8: that, in the short term, priority be given to harmonising appointment processes and building a robust, diverse skills and experience matrix to guide board recruitment rather than an early reduction in trustee numbers.

Recommendation 9: that, in the medium to longer term, a proportionate board size is maintained, reflecting the broad range of skills required, diversity imperatives and other essential board characteristics and competencies. To this end (and consistent with board numbers on other WGSBs), board membership should not fall below 12 to 14 members.

Recommendation 10: that the current balance of trustee appointments between WG and AC should continue to be the case.

Recommendation 11: that WG appointing panels for AC trustees, including chair and vice-chair, be chaired by an independent panel member (or Senior Independent Panel Member in the case of chair/vice-chair), that a WG official sit on AC trustee appointment panels and that appointment processes between WG and AC be harmonised as far as possible, including the use of a co-created and shared skills, experience and diversity matrix.

Recommendation 12: that remuneration of trustees be supported, subject to Charity Commission approval, as part of a range of measures to encourage a diverse range of applications for trustee vacancies.

Recommendation 13: that, in line with current WG practice, the time commitment of the chair should be kept under review in the light of experience and that the chair should use the time to be high level and strategic rather than office-bound.

Recommendation 14: that the President title is replaced by that of non-executive chair, as permitted in the Statutes, and the Vice-President title by that of vice-chair. [already actioned]

Recommendation 15: that the post of treasurer be discontinued once the current post holder demits office and that the current Treasurer should no longer chair nor be a member of the Audit, Risk and Assurance Committee and that the financial statements in future be signed by the chair rather than the treasurer, alongside the AO.

Recommendation 16: that AC takes steps to appoint a finance director and that an early task of the appointee be to lead the process of developing a robust financial strategy.

Recommendation 17: that, for future appointments, the paid head of AC should be entitled Chief Executive and appointed on a fixed term, renewable basis. [already actioned]

Recommendation 18: that, subject to legal advice commissioned by WG and AC, a process along the lines of that in **Annex 5** be put in place as soon as practicable.

Recommendation 19: that an experienced, respected trustee be appointed through an AC board nominations process (including consultation with the PT) as senior trustee and that WG consider including the senior trustee in the appraisal process for the chair of trustees.

Recommendation 20: that the board review its committee structure taking account of our advice. In particular, we advocate the creation of a finance committee to replace PPRC, a people committee, an infrastructure committee and an education and outreach committee, the appointment of an independent chair of ARAC and the replacement of ARC by separate nominations and remuneration committees, with the nominations committee, but not the remuneration committee, chaired by the chair of trustees.

Recommendation 21: that all committees should be strengthened by co-option.

Recommendation 22: that a board secretary should be appointed with a contractual accountability to the chair and, via the chair, to the board for corporate governance.

Recommendation 23: that a scheme of delegation be drawn up and approved as soon as possible, and that a schedule of forward business is provided to the board at the beginning of each financial year and kept updated.

Recommendation 24: that, in the interregnum between new chair and CE appointments, the board and SET hold a workshop to learn lessons from recent events and rebuild their relationships.

Recommendation 25: that appropriate arrangements for reflection, evaluation and review be put in place as soon as practicable.

Recommendation 26: that the chair and Corporate Governance Manager put in place appropriate induction, development, mentoring and appraisal processes in consultation with the board.

Recommendation 27: that any strategy refresh should continue to be accompanied by SMART (specific, measurable, achievable, relevant and time-bound) objectives in order that trustees, WG and stakeholders can monitor progress and exercise proper scrutiny.

Equality, Diversity and Inclusion

Recommendation 28: that a board champion is identified for EDI and that EDI features as a standing agenda item on each board and committee meeting.

Recommendation 29: that the Strategic Equality Plan action plan includes timelines and responsibility for delivery of the various actions.

Recommendation 30: that, working with local communities, decolonisation should be further developed beyond slavery and BLM to embrace the effects of the British Empire on wider populations in Wales.

Recommendation 31: that greater account be taken of demography in developing plans and actions.

Recommendation 32: that training and targets be more widely deployed, including at board level e.g. workshops on demographic literacy and unconscious bias.

Recommendation 33: that AC be encouraged, building upon its existing activity, to work in partnership with Public Health Wales, the wider NHS and the voluntary sector to improve access for people living with disabilities and adapt interpretation and the Museum environment accordingly. A commitment to universal design in all new AC projects would be important in this regard.

Partnerships and Relationships

Recommendation 34: that, building upon strategic partnership activity that has worked effectively, AC develop a focussed strategy for partnership and community engagement utilising the new outreach committee we propose above.

Recommendation 35: that AC examine how it can enhance and embrace cultural democratisation and reach out to people who do not at present engage with it, and that it redoubles its efforts to become a museum for the whole of Wales.

Recommendation 36: that AC should further invest resources in developing the skills of volunteers, especially building on its work to encourage the young and those facing disadvantage to volunteer.

Recommendation 37: that fostering good relations with staff should be a priority for the new CE, supported by the chair and the trustees, with particular attention to healing damage to morale caused by recent events.

Recommendation 38: that the Historic Wales Partnership should now be reset as an opportunity for partnership working and mutually beneficial cooperation, and that all publicly-funded cultural institutions be required, as a condition of their funding, to co-operate.

Recommendation 39: that a broad framework – potentially through legislation in the fullness of time – for the Historic Wales Partnership be considered, including clarifying responsibility for the national collection, as it relates to each cultural institution. the Partnership could also be given a policy advisory function to support work of WG and the cultural institutions.

Recommendation 40: that there should be more clarity about the plans for and governance of the National Contemporary Art Gallery and the role of AC in those plans.

Recommendation 41: that the intention of WG to produce its culture strategy by the end of 2023 be welcomed.

Recommendation 42: that AC should continue to recognise the importance of engagement with Senedd Cymru members and the relevant Senedd committees.

Recommendation 43: that AC should consider how it can continue to develop cooperation with broadcasters.

Recommendation 44: that AC should further develop its work with local authorities throughout Wales, especially with their museums, and should become involved as appropriate with Public Services Boards.

Recommendation 45: that AC take advantage of Public Health Wales' willingness to work with it and of the forthcoming Framework for Social Prescribing in order to extend and improve its contribution to universal access.

Recommendation 46: that AC should engage more actively with the private sector in Wales, especially Wales-based corporations.

Recommendation 47: that AC reconsiders membership of the National Museum Directors' Council in the next financial year, in the light of our advice that membership is beneficial, with trustee involvement in the decision.

Recommendation 48: that, while respecting the fact that culture and museums are devolved, AC should engage appropriately with the UK Government, with other devolved governments and with institutions elsewhere in the UK.

Recommendation 49: that the convening power of WG, coupled with collaboration across a wide range of bodies to enable Wales to present its best face to the world at the FIFA Men's Football World Cup, be regarded as an example to be followed in the future and that, using this positive experience and the Ireland Wales Forum, WG should identify appropriate collaborations with AC to support the reputation of Wales on the global stage. Such collaborations should be consistent with AC's objectives in its strategy, and – where needed – resources should be made available to enable maximum participation by AC in promoting the reputation of Wales on the global stage.

Recommendation 50: that more emphasis in its income generation strategy (as part of an overall financial strategy) should be given by AC to stimulating philanthropy.

Contribution to Economy and Society

Recommendation 51: that a shared understanding of what a national museum is, in Wales, would provide clarification and a critical building block upon which to situate expectations and responsibilities that go with holding the national collection on behalf of the people of Wales. Such a clarification could be considered in future amendments to the Royal Charter.

Recommendation 52: that AC's range of policies relating to collections are in need of a significant revision to take account of its strategic objectives, and contemporary, pressing issues, including sustainability and climate change. Work underway to deliver a new Collections Development Strategy is welcome, and once approved, the strategy should be placed on the website to enhance accountability to the public for the national collection.

Recommendation 53: that the data, digital and technology strategy be re-visited in the light of our observations.

Recommendation 54: that the Rationalisation Policy be revisited in the light of our findings, located within the collections policy and be reviewed and updated at least every five years. The policy should consider deaccessioning in the widest terms, and through a lens of maximum public benefit and sustainability, including as this relates to collections accrued from outside Wales. The trustees of AC have a responsibility to ensure such policy is up to date and fit for purpose.

Recommendation 55: that wider engagement, through loans and partnerships with local authorities and agencies with a cultural heritage remit, should be developed in the context of AC's strategic objectives, with a view to accepting that not all partnerships can have the level of depth and collaboration as some of its current, very successful partnerships. Programming outside AC locations should be developed over time and in line with resources.

Recommendation 56: that, in future-proofing, AC needs to consider its approach at its industrial heritage sites to ensure relevance to future generations, while respecting and working with existing communities.

Recommendation 57: that learning and research continue to be core functions of AC activity and that accompanying strategies and policies be regularly updated within the context of the strategic plan.

Recommendation 58: that the creation of new strategies enable the development of new metrics to measure progress and continue to improve reporting to stakeholders and the public.

Recommendation 59: that, building on its current work the next revision of the Welsh Language Development Plan to provide additional opportunities for people to use Welsh.

Recommendation 60: that the new CE and/or chair can speak Welsh or there is an expectation to learn. As part of the recruitment process all candidates need to be tested on their attitude to the Welsh Language and their understanding of its importance to the culture and society in Wales.

Recommendation 61: that the use of Welsh internally be further embraced, especially in departments where the majority of staff speak Welsh.

Recommendation 62: that AC's sustainability strategy should be robustly tested to ensure it is comprehensive; public facing; inclusive of targets; is reported on and measured (including successes and failures); and takes account of all aspects of AC's activities.

Recommendation 63: that there should be board-level competency in the area of sustainability to ensure that oversight is effective on such an important issue, strategically and for compliance purposes.

Recommendation 64: that tracking and measuring AC's economic impact should be a consistent activity in the publicly-funded cultural sphere in Wales, including AC.

Recommendation 65: that AC, together with other publicly funded cultural institutions perhaps via Historic Wales, should work on an ongoing basis with Visit Wales to maximise tourist interest. The following offer some ideas for collaborative work, and promotion, with Visit Wales:

- A 'culture month' or 'culture festival' could be considered on an annual basis (ahead of, or around St David's Day).
- With more collaboration, there should be more signposting to other culture / heritage activity in specific cities / towns (Visit Scotland promotes such connectivity, encouraging visitors to do multiple things in an area, instead of one, culminating in a day out involving larger spends in local economies).
- Greater participation and leadership in promoting European Heritage Days or Heritage Week could be considered as other ways of encouraging people to do a series of activities in a week / day in cultural heritage.

Recommendation 66: that the new CE should carry out a full review of structure, organisation and culture to ensure that they are financially and environmentally sustainable and aligned with the delivery of the 2030 strategy.

Recommendation 67: the dashboard of KPIs should be revised to include financial reporting to board and relevant committee meetings.

Recommendation 68: WG should work with AC (with advice from Cadw) to produce a long-term view of the capital investment needed in its Welsh Historic estate over the next 25 years.

Recommendation 69: that AC should remain free at the point of access, but WG should advise on the boundaries for income generation from the estate and collections with a view to enabling AC to generate more income in addition to GIA.

Recommendation 70: that commercial skills and understanding be included in the role description of a wider range of staff and trustees so that, over time, an entrepreneurial culture becomes embedded in the organisation.

Recommendation 71: that AC reviews its current income generating activities and identifies how it can resource the generation of additional income, with the aim of developing a new income generation strategy within a year of the new chair and CE commencing their posts.

Recommendation 72: that when reviewing the structure, the board and executive should include consideration of what standards are expected of a national museum and whether all sites reach them, together with a review of the balance of centralised and devolved management of the sites.

Recommendation 73: that the review of collections storage needs be widened (or a separate review commissioned by WG) of the National Collection of Wales, to provide guidance, perhaps via the Historic Wales Partnership, on which organisation should be responsible for collecting the components comprising the National Collection.

Opportunities for investment, growth and shared services.

Recommendation 74: that AC, along with the National Library, Cadw and RCAHMW, commit to implementing shared back office services where appropriate and cost effective and that WG consider other options such as funding conditions to secure the desired outcome.

Recommendation 75: that WG should consider providing funding to implement the changes on an invest to save basis.

Recommendation 76: that AC should work with partners such as Cadw and local authorities to develop place plans for Blaenavon, Caerleon and Llanberis, thus providing an integrated customer experience for historic and cultural attractions in those areas and supporting the local economy.

Implementation

Recommendation 77: that WG/AC establish a task and finish group of trustees, senior executives and WG officials to oversee implementation, report on progress and produce a costed action plan for implementing approved recommendations.