

**Amgueddfa Cymru**  
Parc Cathays, Caerdydd CF10 3NP  
Ffôn: (029) 2039 7951  
Ffacs: (029) 2057 3105

**Amgueddfa Cymru – National Museum Wales**  
Cathays Park, Cardiff CF10 3NP  
Tel (029) 2039 7951  
Fax: (029) 2057 3105

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24 May 2013

William Powell AM  
Chair, Petitions Committee  
National Assembly for Wales  
Cardiff Bay  
CF99 1NA

Dear William Powell

Thank you for your letter of 7 May 2013 regarding PCS' petition about Amgueddfa Cymru – National Museum Wales' plans to restructure the organization. We welcome the opportunity to respond. I also attached a briefing note with further information about the Change Programme and restructure.

As you are aware, Amgueddfa Cymru undertook a period of consultation with staff and trade unions, regarding a proposed new structure for the organization, from 21 January 2013 to 20 April 2013. PCS - one of our recognised trade unions - represents many of Amgueddfa Cymru's staff and have fully engaged with us during this consultation period.

The collection of 1,617 signatures in support of the petition against cuts to the Museum, highlights the strong support there is for Amgueddfa Cymru going forward. It is clear that our staff feel passionately about the organization, our audiences, the collections, the professionalism of staff across all of our sites and the quality of what we offer the people of Wales.

However, faced with a reduced budget we have to find around £2.5 million in savings over the next three years. Staff costs account for 80% of our overall budget so we had no option but to review the structure of the organization to reduce these costs.

We have also reviewed how we interpret and communicate the national collections to the people of Wales and its visitors. Many of our existing visitors are highly satisfied with their visit to our museums. However, the public's needs are constantly evolving, therefore we need to ensure that our offer is also changing to meet their expectations.

Under the new structure, a total of 23 posts will be lost – 12 less than was originally proposed. Overall 134 jobs will be affected in some way, as opposed to the figure of 160 announced in January. We hope we can avoid compulsory redundancies by offering redeployment into vacant posts, and through schemes such as voluntary redundancy and early retirement.

Llywydd/President Elisabeth Elias MA DL  
Is-Lywydd/Vice President Dr Haydn Edwards MBA PhD FRSC  
Trysorydd/Treasurer J Peter W Morgan MSc FCA  
Cyfarwyddwr Cyffredinol/Director General David Anderson OBE  
Rhif elusen / Charity registration number: 525774  
Rhif TAW / VAT registration number: GB 783 4541 10

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Throughout the consultation most departments across the museum have been reviewed and Amgueddfa Cymru will also be moving towards all staff receiving 'the living wage' over the next year.

In making these changes, which will be implemented from June this year, the organization will maintain its service to the public at all its sites. The new structure will not affect the day-to-day operations of the seven national museums across Wales. Amgueddfa Cymru will continue to offer visitors quality experiences at each of its museums, which together attracted over 1.75 million people last year.

We are also committed to delivering our key corporate projects such as the development of St Fagans: National History Museum. St Fagans is also the Welsh Government's highest museum priority, which is why we have been allocated £7m towards the project. In addition, it is attracting nearly £12million of HLF funding into Wales.

Through developing St Fagans, which attracts over 650,000 visitors a year, we are responding to the wishes of the people of Wales. There has been a growing call for a national history museum for many years and St Fagans has long been identified as the place where the history of Wales should be told. It will be an opportunity to present the full story of Wales's past.

It is estimated that the project will generate around 180 jobs during the construction phase. The Museum itself will generate an additional £500,000 of income per year and create an estimated £5.5m of additional income for the Cardiff area by 2020-21.

We recognize that the current financial climate poses unprecedented challenges for every public sector organisation in Wales, including Amgueddfa Cymru. This is a time of austerity and we are working within the resources available to us from the Welsh Government. We are also seeking to raise funds from other sources within and outside Wales by increasing fundraising and research income.

I thank you for your correspondence and the opportunity to provide a response.

Yours sincerely

A handwritten signature in black ink that reads "David Anderson". The signature is fluid and cursive, with a long horizontal stroke at the end.

David Anderson  
Director General  
Amgueddfa Cymru – National Museum Wales

## Amgueddfa Cymru – National Museum Wales’ plans to restructure the organization

### Background

- Faced with a reduced budget Amgueddfa Cymru has to find around £2.5 million in savings over the next three years.
- Staff costs account for 80% of our overall budget so we had no option but to review the structure of the organization to reduce these costs.  
Amgueddfa Cymru also committed to reviewing how it could better research, interpret and communicate the national collection to the people of Wales, and engage with its visitors while maintaining world-class expertise across all its disciplines.

### The Consultation

- The statutory 90 day consultation period began on 21 January 2013 and ended on 20 April 2013.
- A number of different methods were offered for staff to submit their comments to ensure maximum accessibility to the process. These included:
  - A dedicated email account
  - Regular Staff Forum Meetings
  - Opportunities to meet with Directors individually
  - Team meetings and briefings attended by the Director General and Directors
  - Regular all staff briefings
  - Discussions with designated HR representatives.
- We received hundreds of responses during the consultation period from staff and trade unions. The Senior Management Team have considered all responses and these have informed the final structure.
- Staff were briefed on the final structure on 13 and 14 May 2013.
- The table below shows where these savings are being made:

	<b>Proposed Savings (outlined in the Consultation Document) £</b>	<b>Revised Savings £</b>
<b>Staff cost savings</b>		
Collections & Research	1.1m	0.92m
Learning, Exhibitions & Digital Media	0.3m	0.26m
Finance & Corporate Resources	0.1m	0.11m
<b>Staff/non-staff net cost savings</b>		
Operations	0.5m	0.71m

<b>Other initiatives re. staff</b>	0.25m	0.25m
<b>Additional income from fundraising, research, charging for facilitated visits</b>	0.25m	0.25m
<b>Total</b>	2.5m	2.5m

- 134 staff are affected by changes. The majority of these staff will be redeployed to alternative posts in the new structure.
- There are 23 fewer posts in the final structure 12 of these posts have already been lost through natural wastage.
- We hope to avoid compulsory redundancies through redeployment into vacant posts and voluntary redundancy and early retirement schemes.

The key drivers that have underpinned the approach to the Change Programme across all Divisions are:

- To reduce staff costs and headcount to enable us to meet our savings target of £2.5m, whilst also contributing to long-term savings;
- To enable us to deliver our commitment to bring a learning organization that actively promotes inclusion and participation in culture and heritage and supports the Welsh Government in addressing Child Poverty through greater cultural access and partnership working;
- To ensure that higher priority is given to engaging directly with the public in line with our stated aims
- To develop an organizational approach that is able to deliver strategic aims and is capable of changing to meet new circumstances, demands and challenges;
- To realign our staffing structure to support the creation of the three new museums outlined in the Vision – the National Museum of Art, the National History Museum and the National Museum of Natural Sciences;
- To keep the museums open to the public and continue to ensure the security of the national collections.

### **Key Points**

- In making these changes, which will be implemented from June this year, the organization will maintain its service to the public at all its sites. The new structure will not affect the day-to-day operations of the seven national museums across Wales. Amgueddfa Cymru will continue to offer visitors quality experiences at each of its museums, which together attracted over 1.75 million people last year.
- Going forward Amgueddfa Cymru will continue to have a strong curatorial and conservation team, made up from 120 staff, maintaining high level expertise

across all departments. We also remain committed to supporting partner projects and delivering high quality research.

- Amgueddfa Cymru also remains committed to delivering key projects such as the redevelopment of St Fagans: National History Museum, a National Museum of Natural Sciences and building on partnership work throughout Wales and beyond.
- The Natural Sciences Department will, even after the organisation, still be the largest in the UK outside of London, maintaining the Amgueddfa Cymru's core scientific expertise and a strong platform upon which to develop a new National Museum of Natural Sciences over the next five years.
- Through the proposed changes, we will maintain an effective balance between our important, internationally recognised research work and our capability of offering visitors what they expect from a public-facing national museum. We are confident that we have found a balance between the resources we commit to research and those that we put towards communicating that research to our visitors. Of the 134 affected staff:
  - 33 are from the Collections Services department
  - 34 are from the History and Archaeology department
  - 33 are from the Natural Sciences department
  - 34 are from the Learning department

Affected staff includes:

- Those taking voluntary redundancy;
- Those taking early retirement;
- Those whose terms and conditions of employment we propose to change;
  - Those on fixed-term contracts that we do not propose to renew or extend;
  - Those whose post does not appear in the new structure and as a result may be redeployed; transferred to another location or, if no alternative employment can be found, those who may be made compulsorily redundant.
- With regards to the numbers of Curatorial staff:
  - The number of curators in the History and Archaeology department will reduce from 35 to 33 posts. The new structure has been created to enable us to deliver the redevelopment of St Fagans into a National History Museum -an institutional priority.
  - The number of curators in the Natural Sciences department will go from 39 to 27 posts. It remains the largest Natural Sciences department in the UK other than the Natural History Museum in London.

- The number of curators within the small Art department will remain unchanged at 9 posts.

There is also some impact on the Operations Division. This Division has a high turnover of staff, therefore it is possible to make significant savings mainly through non-replacement of posts as they become available, rather than by losing existing staff. In addition, consideration has been given to the future staffing requirements of the Operations Division. As a result, the contribution of the Division to the overall savings will be circa £710,000 per annum.

- From the outset we wanted to ensure that staff had the opportunity to comment on and offer alternatives to what we had proposed.
- We have very much welcomed this level of engagement from staff in the process.
- It is clear from the responses we received that our staff feel passionately about Amgueddfa Cymru, our audiences, the collections, the professionalism of staff across all of our sites and the quality of what we offer the people of Wales.
- There is a perception that Amgueddfa Cymru's relationship with partners such as Cadw, Natural Resources Wales and the Heritage Lottery Fund could be under threat because of the changes. The Senior Management Team and other colleagues within the organization are in regular dialogue with these partners, and indeed many others with whom we work closely. The Heritage Lottery Fund for example were aware of the restructure and have been kept fully informed of the new developments. The History and Archaeology department has actually been structured to ensure the delivery of the redevelopment of St Fagans.

Going forward, the Senior Management Team remains confident of the delivery of the redevelopment of St Fagans: National History Museum. We will maintain and build on partnership work throughout Wales and beyond. We will also continue to drive forward key corporate initiatives such as the Child Poverty Action Plan and our social inclusion agenda.