

# **Operating models analysis for services provided by the Royal Commission on the Ancient and Historical Monuments of Wales**

## ***EXECUTIVE SUMMARY***

### **Purpose of this paper**

To provide an analysis of options for the future delivery of services currently provided by the Royal Commission on the Ancient and Historical Monuments of Wales. The paper sets out roles and systems under the current operating model, their efficiency in using resources and their effectiveness in achieving outcomes. It reviews the benefits, risks, costs and barriers for alternative configurations and recommends courses of action.

### **Background**

The Commission is the investigation body for the historic environment and the national archive for built heritage and archaeology. Founded by Royal Warrant 104 years ago, the Commission has been sponsored by the Welsh Government since 1999. Its National Monuments Record (the NMRW) is the largest visual archive in Wales and one of the three national collections.

### **Overview of the Commission**

The Commission's recent strategic review focused on two interrelated outcomes of its integrated archive, investigation and outreach functions:

An authoritative and well used national archive and information service for the historic environment, and

A historic environment that is authoritatively investigated, recorded, understood and appreciated.

The Commission's remit as the investigation body and national archive for the historic environment means it is a highly specialist and focused organisation. As such, its role is distinct and quite different to Cadw's, which is to conserve and sustain the historic environment and promote access to it.

The National Monument Record and archive are significant national systems and collections accessed continuously for research, education, community, leisure and heritage management uses. The Commission is actively engaged in creating new material, continuously improving systems and dynamically managing, developing and interpreting the records for users. In linking dynamic archives with continuously updated site records and the work of archaeologists and conservation professionals its operation is on a fundamentally different model from that of the National Library of Wales.

In the twenty-first century, information and digital technologies are extensively deployed in holding, managing, developing and interpreting the national

monument records and archives. This work has been developed as a shared service with the Royal Commission in Scotland under the SWISH agreement. This partnership is business-critical to the work of both Commissions, delivering digital tools for the National Monuments Records for each nation. It comprises four integrated elements: the entire archive catalogue, the national site record, securely-held digital archive material, and a range of much-valued and widely used public online services. The two Commissions work in partnership regarding standards for investigation, recording and digital archive delivery to maintain a long-term and sustainable specialist record and archive for archaeology and buildings.

The Commission seeks to be efficient by providing its back-office functions and several other key services through collaborative arrangements. These include sharing financial and HR services with the Welsh Government, working with Aberystwyth University to maintain IT security and access, and jointly managing with the National Museum and the National Library the People's Collection Wales, in which the Commission leads the Innovation workstream.

### **Options for future delivery of services**

This paper has been prepared by the Strategy Group of the Commission in response to the intention of the Minister for Housing, Regeneration and Heritage to ensure that the historic environment sector is sufficiently resilient to achieve 'effective, coherent and sustainable delivery' in a climate of reduced public funding. The Commission fully supports this intention.

The Strategy group recommends that any consideration of alternative service configurations needs to take into account the following assumptions:

Preferred organisational models will always be those that ensure the most efficient services and achieve the best outcomes for available resources and the sector overall.

The NMRW must continue to be developed as a tool for the sustainable management of Wales' heritage and a national collection, and in the twenty-first century this must include innovation in digital systems to support both archival preservation and ever-wider utilisation of the assets.

The cycle integrating actions, resources and expertise for recording and investigating Welsh heritage, curating the archive, developing understanding and making information accessible is fundamental to achieving positive outcomes in heritage management and public engagement.

The Strategy Group has looked at options including those set out in the 2011 Welsh Historic Environment Assessment Exercise (the Chitty report) and the potential impact of financial cut-backs across the sector. The Minister's observations on resilience and sustainability are clearly understood by the Commission. Each option is associated with benefits, risks, costs, savings and barriers. Most significant among these are:

- Benefits: some options allow for additional shared services or different integration of activities.

- Risks: several options threaten the national collection or the outcomes delivered through creative flexibility and service integration.
- Costs: mergers would require considerable expenditure at a time of severe financial constraint; merging business-critical information services into government would require capital of £2m and treble revenue costs.
- Savings: assuming like-for-like front-line services, mergers will not produce net savings, however charity registration and shared accommodation offer opportunities for savings and grant income.
- Barriers: some options present obstacles arising from the charity status of NMRW collections or legal/legislative requirements.

This report supports the findings of the Welsh Government's Chitty Report that *'provision for the historic environment is admirable in its scope and supports an organisational structure particularly suited to the economic realities'* and that *'there is value for users in retaining separation.'* It also supports the finding of the Welsh Government's Governance Review of the Commission that it delivers economies of scale.

The Chitty report identified as a possible model the creation of a new WGSB charity combining the Commission and most functions of Cadw outside government. The benefits of this would take years to accrue and the initial resource needs would pose high risks in the current climate. Nevertheless, this option cannot be discounted as too difficult and ultimately it would be a long-term, sustainable model for the sector. Potential benefits include:

- Greater flexibility in generating and utilising earned income
- Stronger public involvement and trust in a charitable body
- Eligibility and attractiveness for additional sources of funding
- Ability flexibly to absorb functions from smaller bodies if required
- Efficiency in sharing services with multiple partners
- Freedom from restraints on innovation and high costs of Government IT

While a merger with Cadw inside the Welsh Government may seem an obvious step, with benefits potentially for staff and some resilience through size, it is also fraught with difficulties. These include:

- The greater costs of operating business-critical IT within Government
- The need to observe the charity status of the archive
- Risks to innovation capacity, flexibility of operation and funding
- Attrition of existing services to maintain statutory roles and tourism
- Loss of public ownership and trust derived from arm's length delivery
- The inability to demonstrate overall savings.

Splitting the services of the Commission between Cadw and the National Library or other bodies would be easily the worst option. It would be unlikely to achieve any savings and would be highly damaging to outcomes. It would effectively terminate the long-term development of Wales' National Monuments Record as a tool for the sustainable management of Wales' heritage. The cycle integrating actions, resources and expertise for recording and investigating Welsh heritage, curating the archive, developing understanding and making information accessible would be broken. Team-working across investigation, archiving and

engagement would be dismembered and opportunities to enhance the record, innovate and maximise outcomes by providing integrated services would disappear. This would negate decades of expenditure in building staff skills, a specialist national record and a robust and continuously evolving IT platform and would be demonstrably a backward step for Wales.

### **Recommendation**

The recommended option is to maintain the flexibility to move towards a unified WGSB charity in the longer term by building on the existing model with strengthened charity status, a new identity and shared accommodation. This would entail:

1. Modernising governance from a Royal Commission to a registered WGSB charity (equivalent to NMW and NLW) under a new title, enabling key savings and attracting additional funding;
2. Realigning the three national collections to facilitate joint working and pursue capital investment for co-location with the National Library;
3. Enhancing the strategic partnerships between the Commission, Cadw and other delivery bodies to coordinate work programmes and transfer functions if appropriate;
4. Consolidating the statutory role of the NMRW and the Commission's existing copyright privileges through the Heritage Bill;
5. Developing shared record systems as recommended by the Chitty Report for the NMRW and the Welsh Archaeological Trusts, exploiting and building on the Commission's existing robust information services.

The recommended option can be implemented relatively swiftly and simply with minimum cost and risk. Other options could not, and they would require thorough independent risk assessments, public consultation and detailed legal, financial and business planning.

Moving the responsibilities of the Commission into the third sector as a charitable body gives the potential in the future for evolution of a continuously more efficient, effective and sustainable structure for the whole sector. In working alongside Cadw and CyMAL in partnership in the tough times to come this flexible structure is likely to present real benefits in meeting the needs of the historic environment and archive sectors.