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Senedd Cymru | Welsh Parliament

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon, a Chysylltiadau
Rhyngwladol | Culture, Communications, Welsh Language, Sport, and
International Relations Committee

Effaith Gostyngiadau Cyllid ar Ddiwylliant a Chwaraeon | Impact of Funding
Reductions for Culture and Sport

Ymateb gan: Louise Miles-Payne, Cyfarwyddwr, Creu Cymru | Evidence from:
Louise Miles-Payne, Director, Creu Cymru

1. What impacts has reduced funding had on your organisation and sector so far?

The arts and culture sector, which employs 7000 people across Wales, makes a vital contribution to the economy, health and wellbeing, and international reputation of our nation. Government funding of ACW in 2020 was 21% lower than in 2010 and this steady decline must be reversed in the next budget round if the sector is to secure a sustainable future.

Cultural spending as a proportion of the Welsh Government budget represents less than 0.15% of total overall expenditure – one of the lowest in Europe, where the average is 1.5% with some reaching 2.5%.

Culture is the lifeblood of local communities, providing inspiration, entertainment and a creative outlet for so many. Theatre supports individual wellbeing and provides jobs for skilled local people.

It provides value to the community at large through revived highstreets, a thriving nighttime economy and by encouraging social cohesion. Research shows that nearly three quarters (74%) of all UK adults attended an arts event in the last 12 months. Despite this, the theatre sector faces challenges on multiple fronts. All our members are experiencing rising costs, alongside increasing pressures on public funding and sector wide skills shortages. Parents and teachers are also reporting a decline in school trips to the theatre, meaning children are missing out on the benefits a visit brings due to the cost of transport and the increased complexities faced by schools relating to funding and socio-economic issues.

The reduced funding in the culture and sports sectors in Wales has had far-reaching impacts on our members and wider sector.

Operational Constraints: Reduced funding often leads to budget cuts across the board. This has forced some members to reduce staff, limit programming, shorten operating hours, or even close venues. Essential maintenance and upgrades have also been delayed, affecting the quality of services offered.

Programme Reductions: Many organisations have had to scale back on the number and diversity of events, exhibitions, or performances they can offer. This has also meant cutting outreach programmes (such as the Young Studio programme at the Royal Welsh College of Music and Drama which has affected 340 students, five salaried staff and 112 freelancers), education initiatives, or community engagement activities, which are vital for broadening access to the arts.

Talent Drain: Financial pressures have led to job losses or reduced employment opportunities within the sector, especially for freelancers. This results in a loss of specialist skills as professionals move to other sectors or elsewhere in the UK where opportunities are more abundant. This loss might be irreversible, especially for niche roles or highly skilled positions. Many of our members have seen technical staff leave to other higher paying creative sectors such as TV and film. Our members have also reported issues around delays in recruitment when staff leave, sometimes being forced to wait to advertise roles resulting in remaining staff members are often left with increased workload and responsibilities.

Increased Reliance on Volunteers: To cope with staff reductions, organisations need to rely more heavily on volunteers, which may impact the quality of service or overburden the volunteer workforce. Front of house capacity is being drawn on volunteers more so than ever. Sherman Theatre have told us that their volunteers are more likely to be older people, rather than younger people which has a knock-on effect on career pathways into the arts.

2. What measures have you taken in light of it, such as changing what you do and how you do it.

Cost-Cutting and Efficiency Measures: Implementing austerity measures, such as reducing administrative overhead, sharing resources with other organisations, or renegotiating contracts with suppliers, have been necessary steps.

Programme Adaptation: Many of our members have adapted by offering fewer events which has reduced costs. As a result of increased production costs one producing venue is looking at cutting their in house produced work by 50%. Some producing companies and venues are also looking at producing work with fewer cast members and using more local performers to reduce accommodation and travel costs.

3. To what extent will these impacts be irreversible (e.g. venues closing, or specialist skills being lost rather than a temporary restriction in activities)?

Venue Closures: Permanent closure of venues will have long-lasting impacts on the community and cultural landscape, reducing access to cultural experiences and spaces for artistic expression. Caerphilly Council are proposing the closure of Blackwood Miners' Institute(<https://creucymru.com/news/creu-cymru-statement-proposed-cuts-blackwood-miners-institute>), and we have already seen the closure of the Redhouse in Merthyr Tydfil earlier this year.

Skill Loss: The departure of skilled professionals and the reduction in training opportunities will lead to a long-term skills deficit, particularly in specialised areas of arts and culture. Consistent underfunding in the sector has affected the morale of the workforce, leaving staff overworked, undervalued and underpaid compared to their counterparts in other sectors or elsewhere in Europe.

Inability to recruit: Members are reporting issues when it comes to attracting senior managers and leaders within the sector due to the inability to be competitive to similar roles elsewhere in the UK. This impacts the ability to manage businesses effectively and sustainably.

Cultural Erosion: A decline in diverse programming may reduce cultural diversity and diminish the cultural vibrancy of communities, potentially leading to a less inclusive cultural sector. It also influences diverse recruitment, if the cultural sector can't pay staff at competitive rates or more open to those from diverse backgrounds then organisations won't be able to achieve a more representative workforce.

4. What interventions would you like to see from the Welsh Government, beyond increased funding?

No further cuts are made to the Arts Council of Wales. There is no room in the sector for additional cuts.

Strategic Support Beyond Funding: Beyond increasing financial support, the Welsh Government could offer strategic assistance in areas like capital funding, sustainability, capacity building, digital transformation, and fostering collaborations across sectors.

Policy and Advocacy: The government could play a more active role in advocating for the value of culture and sport, raising public awareness, and integrating cultural objectives into broader social and economic policies.

Targeted Support for Vulnerable Groups: Initiatives focused on supporting organisations that serve vulnerable populations, including those with protected characteristics or from lower socioeconomic backgrounds, could ensure that cuts do not disproportionately affect these groups.

Skills Development Programmes: Investment in skills development, apprenticeships, and training programmes to address the loss of specialised skills in the sector would be vital for long-term sustainability.

Addressing these issues requires a combination of immediate relief measures and long-term strategic planning to ensure that the cultural sector in Wales remains resilient, inclusive, and vibrant despite financial challenges.

5. To what extent do the impacts you describe fall differently on people with protected characteristics and people of a lower socioeconomic status?

Access and Participation: Reduced funding could disproportionately affect people with protected characteristics and those from lower socioeconomic backgrounds. Cuts to outreach and community programmes might limit access to cultural activities for these groups, exacerbating existing inequalities.

Representation: Diverse voices and representation in the arts will diminish if organisations focusing on underrepresented communities face greater financial challenges, leading to a less inclusive cultural landscape.

Economic Barriers: Increased ticket prices or reduced free programming will create additional barriers for low-income individuals, making it harder for them to engage with cultural activities.

6. Do you have any other points you wish to raise within the scope of this inquiry?

Preventing further cuts to the Arts Council of Wales is essential for protecting the economic, social, and cultural fabric of the nation. The arts sector is not just a luxury; it is a vital component of a healthy, vibrant, and resilient society. Further cuts would risk long-term damage that would be difficult, if not impossible, to reverse, with consequences felt across communities, economies, and future generations.

Theatres should be at the heart of local life and local plans – including cultural strategy, planning policy and transport provision. Theatres will only thrive when they are adequately supported and funded to deliver for the communities around Wales. We recognise the fiscal challenges facing the Welsh Government, and echo calls for a sustainable, long-term cultural funding solution that can give creative organisations the security they need.