

About Creu Cymru

Creu Cymru (www.creucymru.com) champions Wales' vibrant sector of performing arts; connecting people, audiences and communities.

Our members represent virtually all of the nation's professionally run theatres and arts centres and producing companies, and a range of individuals.

Our membership forms a collaborative network; with a strengthened and unified voice that we project and advocate on behalf of to public governing bodies, ensuring vital industry representation and influencing positive change.

Creu Cymru supports venues, companies and individuals in progressive growth strategies. Our Curated visits and research opportunities, specialist training and toolkit resources develop the collective skills and experience of our creative workforces. This ensures that programming across the sector continues to evolve with a focus on equality, relevance and inclusion for new and diverse audiences.

Creu Cymru have recently become a new multi-year funded organisation by Arts Council of Wales.

Creu Cymru also manage Hynt, national access scheme which is an ACW initiative. This includes training, advice and an annual Symposium.

Impacts of reduced funding on Creu Cymru members and the Cultural Sector in Wales

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%.

The power of theatre:

- Theatre is an economic powerhouse, a source for transformative social good and embedded in communities up and down the country.
- The sector generates £2.39 billion in GVA and supports 205,000 workers.
- For every £1 spent on a theatre ticket, an additional spend of £1.40 is generated in local economies.
- Our members deliver community outreach and access schemes, including free/subsidised performances for schools, skills development initiatives and space for up-and-coming artists and community groups.

- British theatre is a complex, networked ecosystem. Its different sectors are inextricably linked, with cooperation and co-dependence increasing recently due to rising costs and the response to the pandemic

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.

This is a particularly difficult moment for both freelancers (which can make-up up to 70% of our workforce), and for organisations: with ongoing recovery from the pandemic, cost of living, energy costs, long-term underfunding (including significant reduction from local authorities over the last decade), and the fallout from the Investment Review alongside a crumbling infrastructure: all contributing to a very challenging landscape.

Impacts on our members and the wider sector

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.

Measures Taken by Members

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.

Irreversible Impacts

- **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.

Why further cuts should be avoided

Cultural and Economic Value

- **Economic Impact:** The arts sector is a significant contributor to the Welsh economy. It supports thousands of jobs, from artists and performers to technicians and administrators. Cultural events attract tourism, generate spending in local communities, and stimulate related industries, such as hospitality and retail. Further cuts could weaken these economic benefits, leading to job losses and reduced economic activity.
- **Cultural Identity:** Wales has a rich cultural heritage, and the arts play a critical role in preserving and promoting Welsh identity, language, and traditions. The Arts Council of Wales supports a wide range of activities that showcase this heritage both nationally and internationally, contributing to a strong national identity and cultural pride.

Social Impact and Well-being

- **Community Cohesion:** The arts bring people together, fostering community cohesion and social inclusion. Arts Council-funded projects often target vulnerable and marginalised groups, providing them with opportunities for participation, self-expression, and connection. Reducing funding could lead to the loss of these vital programmes, weakening social bonds and increasing social isolation.
- **Mental Health and Wellbeing:** Engagement with the arts has been shown to improve mental health and wellbeing. Whether through active participation or as an audience member, the arts offer therapeutic benefits, reduce stress, and enhance quality of life. In a time when mental health challenges are on the rise, maintaining robust arts programmes is more critical than ever.
- **Impact of Wellbeing of Future Generations Act:** The Act specifically highlights the importance of a vibrant culture and thriving Welsh language. The Arts Council of Wales plays a vital role in supporting Welsh-language arts and cultural activities that promote the Welsh language and identity. Further funding cuts could jeopardise these efforts, risking a decline in the use of the Welsh language and the vibrancy of Welsh culture, which are essential for future generations.

Long-Term Sustainability of the Arts Sector

- **Risk of Irreversible Damage:** Further cuts could cause irreversible harm to the arts sector. Once venues close, organisations disband, or skilled professionals leave the field, it can be extremely difficult to rebuild. The loss of infrastructure, expertise, and cultural capital would set back the arts in Wales for years, if not decades.

- **Talent Retention and Development:** The arts sector relies on nurturing and retaining talent. Continued funding cuts will drive talented individuals out of Wales or out of the arts altogether, leading to a long-term skills drain. Sustained investment is necessary to ensure the development of future generations of artists and cultural leaders.
- **Lack of Productions:** Companies and freelancers can't access the funding to create work which will have a knock-on effect on work that can tour to audiences around Wales.

Equality and Inclusion

- **Impact on Vulnerable Groups:** The Arts Council of Wales prioritises funding for projects that promote diversity, inclusion, and equality. Further cuts could disproportionately affect organisations that work with people from underrepresented communities, including those with protected characteristics and from lower socioeconomic backgrounds. This would exacerbate existing inequalities and reduce access to the arts for those who benefit most.
- **Cultural Representation:** Arts funding helps ensure that diverse voices and stories are represented in Welsh culture. Reducing this funding risks narrowing the cultural narrative, which could lead to a less inclusive and less representative arts landscape and impact organisation's ability to help support the Welsh Government Anti-Racism Action Plan.

National and International Reputation

- **Global Influence:** Wales has gained international recognition for its vibrant arts scene. Further cuts could diminish Wales' cultural influence on the world stage, reducing opportunities for international collaborations, tours, and exchanges that not only enrich the cultural life of Wales but also enhance its global standing.
- **Domestic Prestige:** A strong and diverse arts sector enhances the prestige of Wales within the UK, fostering a sense of national pride and identity. Protecting the arts funding helps maintain Wales' status as a cultural leader, benefiting the country as a whole.

Leveraging Additional Funding

- **Match Funding and Grants:** Public funding from the Arts Council often acts as a catalyst for attracting additional investment from private donors, sponsors, and other grant-making bodies. Further cuts will reduce the ability of organisations to leverage this additional funding, leading to a more significant overall reduction in available resources. With the reduction in Arts Council funding this is having an impact on the success rates for organisations applying to trusts and foundations. Trusts and foundations also tend to not fund core costs, putting another squeeze on members ability to fundraise.
- **Innovation and Adaptation:** Adequate funding enables arts organisations to innovate, adapt to new challenges (such as those posed by digital transformation), and develop new

revenue streams. By maintaining or increasing support, the Welsh Government can ensure that the sector continues to evolve and thrive.

Interventions needed from Welsh Government

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.

Differential Impacts on Protected Characteristics and 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.

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.



Inquiry into the impact of funding reductions for Culture August 2024

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.

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