

Agenda Supplement – Culture, Communications, Welsh Language, Sport, and International Relations Committee

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Hybrid – Supplement 1

Please note the documents below are in addition to those published in the main Agenda and Reports pack for this Meeting

8.2 Letter from the Minister for Education and Welsh Language to the Chair of the Culture, Communications, Welsh Language, Sport and International Relations Committee regarding scrutiny of the Welsh Government Draft Budget 2022–23: Welsh Language

(Pages 1 – 76)

Attached Documents:

Letter from the Minister for Education and Welsh Language to the Chair of the Culture, Communications, Welsh Language, Sport and International Relations Committee regarding scrutiny of the Welsh Government Draft Budget 2022–23: Welsh Language

Annex 1 – Evaluation, Conclusions and Recommendations of the Arfor Programme – October 2021





Evaluation, Conclusions and Recommendations of the Arfor Programme

October 2021



ARFOR

Creu Gwaith - Cefnogi'r Iaith



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Contents

1	Introduction	2
1.1	Background.....	2
1.2	Context	10
1.3	The Evaluation.....	12
2	Discussion of individual programmes and findings	14
2.1	Programme Outputs and Outcomes	14
2.2	Direct Business Support/Funding:.....	15
2.3	Llwyddo'n Lleol.....	35
2.4	Ffiws/Gofod Creu	40
2.5	Cymunedau Mentrus.....	41
2.6	Bwrlwm Arfor	43
3	Process Evaluation	44
3.1	Project rationale.....	44
3.2	Design	48
3.3	Delivery.....	49
3.4	Management	51
3.5	Pandemic and other external impact.....	53
3.6	Impact.....	54
3.7	Partnership working.....	54
3.8	Legacy and sustainability.....	56
4	Discussion and Lessons	57
4.1	Discussion of the outcomes	57
4.2	The Impact.....	57
4.3	The Delivery process and model	60
5	Conclusions	70
5.1	Summary of Lessons.....	71
	Appendix: Referenced Sources	73

1 Introduction

1.1 Background

The 20th century witnessed a steady decline in the percentage of Welsh speakers in Wales. During the second half of the century, efforts were made by individuals, civil society and, more recently, the governments of the UK and Wales to try to prevent the decrease and ensure the sustainability of the language. Legislation was introduced and the Welsh language was afforded official status, whilst education came to the fore as one of the main tools with which to revive the language, ensuring sizeable cohorts of young people were equipped, through the Welsh language, with the skills to live and work.

However, despite these successes, the threat to the sustainability of the Welsh language continues, particularly within specific areas of Wales. Most notably, the geographical areas, which are home to large percentages of speakers, i.e. the 'heartlands', are still considered areas of concern. Recent falls in speakers recorded within the 2011 census has only reinforced the widespread belief that Welsh, as a language of everyday, work and community life, is under threat.

The counties of Gwynedd, Anglesey, Ceredigion, and Carmarthenshire are often referred to as the heartlands, although several counties or areas within other counties share similar characteristics such as the Conwy Valley, North Pembrokeshire, and areas of Clwyd and Powys. There is a general consensus that these heartlands share similar social, economic and cultural characteristics, including:

1. A large percentage of Welsh speakers
2. In-migration of older people, out-migration of young people
3. Rural, with a dependence on agriculture, food and tourism
4. Market towns and university towns
5. A large percentage of public sector jobs
6. The lowest wages in Britain, and among the lowest wages in Europe.

Whilst acknowledged as areas where Welsh has historically been the main language of community and work life, there is a further consensus that economic processes have been a factor in and a reason for the decline of the language in the area. Moreover, there has been an interest and, more recently, political will to develop economic interventions that can support the language and enable it to thrive in these areas. The four local authorities also share and support a desire to work in partnership to establish an economic development and language planning framework to respond to the challenge.

1.1.1 What is Arfor

Following budgetary discussions between Plaid Cymru and the Labour-led Welsh Government, a budget of £2 million was earmarked for the Arfor programme during the period of 2019–2021. The proposal for the Arfor Innovation Fund outlined the following broad criteria for specific schemes that could be funded:

- a. Projects that increase the use of Welsh within the workplace
- b. Projects that focused on creating favourable conditions.
- c. Projects that increase the number of Welsh speakers in the business community.

Specifically, the funding was made available by Welsh Government to the four local authorities to facilitate new and innovative methods to support economic development in the region by:

- Promoting enterprise and supporting business growth in areas with a high proportion of Welsh speakers.
- Generating more and better paid jobs to retain local people in these areas and encourage those who have left to return.
- Promoting the wide-ranging value of the use of Welsh and bilingualism in business creating a vibrant sense of place.
- Encouraging the businesses and people who move to rural areas to value and use the Welsh language.

Whilst these were the overarching aims of the programme, the focus of this evaluation will be on the individual schemes, and the manner in which they contributed to these aims. Moreover, the evaluation consciously explores the extent to which the programme has achieved its own stated aim, namely, to create ‘more and better jobs’. Doing so enables the evaluation to explore the programme’s logic and theory of change, discussed in detail below.

The money was to be used by the four Local Authorities (LAs) in West Wales to work in partnership to **trial** and **evaluate economic interventions** in the area.

A portion of the money was also set aside to develop a strategic plan. However, the conclusion was reached that it was not possible to recommend a range of specific actions, which were certain of having a positive impact on the Welsh language. An Interim Report was developed instead, outlining the results of the research and preparatory work for a more detailed strategy. It made recommendations for further action by the four local authorities to reach the point at which it would be possible to identify economic interventions that are likely to have a positive impact on the Welsh language.

A key characteristic of the programme is that it aims to develop **economic interventions** and **not linguistic interventions**. This is an important distinction. As noted below and reflecting the findings of the Revitalise team from Aberystwyth University and wider research, often when discussing and developing interventions regarding the relationship between the economy and the language, the focus is on the use of the language by or within businesses. However, this money has been earmarked for all types of economic development which are

required to create better and more job opportunities, which, in turn, will contribute to ensuring the prosperity of the Welsh language. Arfor is an economic programme, developing economic interventions that will consequently have a positive or beneficial impact upon the Welsh language.

Logic and Theory of Change

The haste with which an operational programme had to be developed limited the extent to which the management team were able to develop a comprehensive strategy and theory of change. There was no time either to trial ideas or develop many bespoke schemes. The programme had to draw upon existing ideas or relatively straightforward mechanisms for supporting businesses. The four local authorities brought a series of ideas forward to be funded by the programme. There was some overlap, particularly in relation to the provision of funding to businesses, and some divergence in the scheme (details below).

The programme's logic and the driving logic behind the development of schemes can be summed up by its strap line, '**creating more and better jobs**'. This logic was clear in scoping interviews with management staff and reflected a wider perception and understanding of the impact of economic interventions on the Welsh language.

Essentially, the "problem" within rural Welsh speaking communities was that people, particularly young people, were migrating out of the area, and with them jeopardising the sustainability and viability of the Welsh language within communities. There is an accompanying belief that these people are leaving to find better employment elsewhere. Consequently, and logically, the creation of more and better jobs will enable more people to remain in the area.



This logic was critically examined in the Arfor Evaluation Interim Report. The report concluded that, while there was evidence to support the notion that young people were leaving the area, their motivations were far more complex. Young people are likely leaving the area for a range of reasons, including a desire to seek out excitement, to move to more culturally vibrant areas, or simply to join friends or other large numbers of young people. Moreover, the wider academic literature suggests that issues other than a lack of jobs are pushing them away from the area. These include a lack of education and training opportunities, a lack of entertainment and cultural opportunities, poor transport infrastructure and wider services tendency for rural communities to be more socially conservative.

Nonetheless, Arfor, in its current iteration sought to ‘create more and better jobs’ with the expectation that this would be beneficial for the Welsh language, particularly in keeping young people in the area. Staff however, were, as detailed below, aware of wider considerations and tended to appreciate that the “problem” was more complex than the programme’s logic had established.

Management

Arfor began the process of developing its schemes during the summer-autumn of 2019 and began receiving applications later that year. 2020 was identified as the key year of delivery, however it was significantly impacted by the Coronavirus pandemic, which is discussed in detail in relation to the specific schemes.

Structurally, Arfor is comprised of a Board, whose membership is made up of elected Members from the four local authorities (notably the Leaders of all four Authorities chose to undertake this role) and representation from Welsh Government (from both economic development and the Welsh language teams) and the Welsh Local Government Association (WLGA). The Board is responsible for strategic oversight of the programme. Operational management and delivery is the responsibility of an Officers Group drawn from officers from the four local authorities, officers from the economic development and Welsh language perspectives within Welsh Government and the WLGA. One local authority (Gwynedd) took responsibility for administering the entire programme and co-ordinating the work of all four local authorities.

Delivery

Activity was primarily delivered directly by the Local Authorities utilising existing resources. In every area there was a close alignment with the activities of the LEADER Programme¹ locally along with area’s broader business support / economic development activities and local language initiatives via the area’s Mentrau Iaith.

In Gwynedd and Anglesey, the delivery of some Arfor activities was outsourced to Menter Môn. Menter Môn is a not-for-profit company that runs a number of initiatives with the aim of providing solutions to challenges facing rural Wales. Notably, Menter Môn is the administrative body for the LEADER Local Action Groups in both counties (Arloesi Gwynedd Wledig and Arloesi Môn) and the local language initiative in Anglesey, Menter Iaith Môn. Menter Môn had developed the Llwyddo’n Lleol concept, which was funded through the Arfor programme and operated across Gwynedd and Anglesey. Menter Môn staff delivered that programme, and its staff were interviewed in that capacity for this report. Menter Môn also managed one grant fund on behalf of the Isle of Anglesey County Council.

¹ Funded through the Rural Development Programme for Wales, LEADER is designed to support local people, businesses and communities to become involved in delivering sustainable, yet innovative solutions to address some of the economic, social and environmental challenges facing rural areas.

Arfor Schemes

In view of the constrained timescale for development and delivery and the relatively modest budget a consensus was reached in summer 2019, that each Local Authority would develop their own schemes as the primary means of delivery. A key characteristic of all Arfor schemes is the scale. **These are small scale interventions with relatively small pots of funding.** The aim was to trial a range of schemes, not bring about lasting or significant impact upon the economy and language of the area. Moreover, few of the interventions sought to address the structural weaknesses of the area's economy. These points are stressed due to the perception amongst some stakeholders, particularly at the Evaluation Interim Report stage, that the programme constituted at least the initial stages of a significant structural investment in the area, akin to Growth Deals. **These are small scale trials with small cohorts of beneficiaries.** The aim is to **test interventions and learn lessons.** The following schemes were established:

Direct business support / funding: Direct business grants were offered by all four Local Authorities, though with some variation. Grants were offered to support capital and revenue investment. Gwynedd offered a 'Cymorth i Fentro' support package to help businesses look at what they wanted to develop over the next five years and identify barriers. Business Wales and Enterprise Hub Business Advisors worked with applicants to identify their requirements and what support was available, with Cymorth i Fentro as a last resort to address any unmet needs. Ynys Môn offer two types of grants, a Language Grant and a Business Grant.

Ynys Môn's Business Grant, more substantial in value than the Language Grant, was offered to support businesses' development and expansion plans. Though initially separate, it became relatively common for business to be encouraged to initially apply for a Language Grant, before moving on to a Business Grant. Both grants required, as part of the application and approval process, a review of the language profile of the business.

The Ynys Môn Language Grant focused specifically on improving Welsh language capacity, services and products of businesses. A key condition of the language grant was that recipients would be required to engage with the Helo Blod service and at least begin a more strategic approach to developing language capacity and services (see Policy Context section below).

Ceredigion also offered two grants, Grant Mentro and Grant Twf. The former was aimed at new businesses entry support with the challenges and costs of setting up and beginning trading. The latter was aimed at established businesses looking to develop. The application process required businesses to outline their plans to develop their Welsh language services, products and provision, and identify steps that they would be taking. Successful applicants were also encouraged to engage with the Helo Blod service.

Carmarthenshire, meanwhile, offered direct grants to any businesses provided they were related either to the creative industries or the food and drink sectors. Both these sectors are key sectors for Carmarthenshire and its economic development strategy.

The application process for these grants were relatively similar, comprising of an application form that outlined their plans to develop the business, plans to develop their provision of the Welsh language services and products as well as details in relation to expenditure. Each application was scored and approved by a panel comprising of council officials and wider stakeholders. Each authority had a separate panel. The key characteristic of all grants was the uncommonly high scoring awarded to the application's engagement with the language and its development within and by the business.

Llwyddo'n Lleol: Gwynedd and Ynys Môn also offered placements for young people via the Llwyddo'n Lleol scheme run by Menter Môn. The scheme involved an 11-week mentoring programme, supporting young people as they developed their business ideas and plans. Alongside the mentoring, the young people were expected to document their experiences through social media, in turn aiming to highlight the business opportunities and possibilities for young people in the area.

Ffiws/Gofod Creu: The Ffiws scheme funded the creation of temporary maker spaces around Gwynedd and Ynys Môn offering free access to specialist equipment, with technicians on hand to help with training and use. The spaces offered access to equipment such as 3D printers and laser cutters. The intention was to support local businesses to develop prototypes and product ideas as well as gain experience in the use of innovative equipment.

Cymunedau Mentrus: The Cymunedau Mentrus scheme in Gwynedd sought to support social businesses and community enterprises develop their communities through community ownership and foundational economy principles, looking at how to make their communities more resilient by developing an idea/challenge to develop new skills and jobs, thus supporting the Welsh Language.

Bwrlwm ARFOR: Initially, all four Counties were keen to collaborate to further develop the concept of 'welcome packs' that had been created before the programme. These packs were aimed at signposting Welsh language services and support for people who were new into the area. However, with the pandemic perceived as a likely barrier to engaging with individuals in such a manner, the management and delivery team decided to explore means of promoting businesses who used the Welsh Language as an integral part of their operations. The aim was to showcase the benefits this had for the business, their staff and their communities. Bwrlwm ARFOR was created as a platform for case studies; podcasts; videos; workshops on using the Welsh Language in Business www.bwrlwmarfor.cymru.

1.1.2 Findings of the Evaluation Interim Report

The Interim Report was developed during 2020-2021. It concluded that a comprehensive and detailed strategy for the utilisation of economic interventions to benefit the Welsh language was not possible, due to the lack of data and supporting evidence to identify and recommend specific activities.

The report noted that despite a consensus among academics, the Welsh Government and civil society organisations that economic processes and interventions provide a means of ensuring the sustainability of the Welsh language, there was very little discussion and data regarding specific economic processes and their actual impact, positive or detrimental, upon the Welsh language. Recent research on behalf of the Welsh Government supported this claim (Thomas, Duggan, Glover and Glyn, 2020), echoing the findings of Dr Huw Lewis and the [Revitalise](#) team from Aberystwyth University.

Although there is evidence supporting the hypothesis at the heart of the programme, namely that migration out of the area has a significant and detrimental impact upon the language, the report concluded that there was a lack of evidence entirely supporting the suggestion that creating more and better jobs would resolve that issue.

The report suggested that deeper, structural economic issues, such as the economy being skewed towards sectors which have a lower base value and weaker prospects for growth, lower than average wages and relative inaccessibility of housing for young people, are key drivers in pushing young people out of the area.

Moreover, the wider literature relating to rural migration, as explored in the Interim Report, suggests that issues such as quality of life, access to services and education, the conservative and patriarchal culture of rural areas as well as a desire to expand horizons and access recreational opportunities were further, and important factors to consider in relation to the outward migration of young people.

The solutions and purely economic interventions that are required therefore, are likely to entail focusing on developing diversity and supporting sectors that are likely to see greater value and higher wages. However, there was no data available to recommend which sectors or ways of working are likely to have a positive impact on the language as well as on the economy. Consequently, efforts to attract people, specifically Welsh speakers, and enable people to move into or back to the area maybe better and perhaps more effective ways of compensating for the outward migration of young people in the meantime.

The report concluded by making four recommendations that aimed to support the process of understanding the link between economic process and the language. Moreover, the recommendations aimed to identify means by which economic interventions that were beneficial to the language could be identified and mainstreamed.

The recommendations were as follows:

1. Firstly, to aim to support and continue with Arfor's current work of trialling and, of key importance, evaluating and learning from interventions in the economy and to support businesses.
2. Secondly, the report proposed that a research group be established (including members from further afield than linguistic experts or those who have been associated with this subject for some years), to develop and promote an understanding of the link between the economy and the language. The group's role should be to evaluate the trialling and piloting of interventions, review wider evidence and research, and recommend effective interventions to be mainstreamed and promoted within and by the four counties.
3. Thirdly, and with a long-term in mind, the report recommended that the work be linked with a formal body, which can mainstream and promote successful interventions within the local authorities in the Arfor area as well as externally. In short, the four local authorities should consider continuing to work together formally beyond the lifespan of the programme and should agree to mainstream and promote successful interventions amongst themselves and beyond.
4. In addition, since the impact of COVID-19 was likely to prevent projects and spending, which had been planned for Arfor's current programme, the report recommended that the money be used to develop an understanding of the reasons as to why young people leave or return to the Arfor area, or to evaluate the aims of relevant projects, which are implemented outside of the Arfor programme, such as the linguistic impact of developments like Yr Egin, or to examine the recent anecdotal increase in the number of people returning to the Caernarfon area.

This report focusses primarily upon the evaluation of the activities undertaken by the Arfor programme. However, it also seeks to consider and relate the findings to the wider context explored in the Interim Report. Moreover, it aims to critically evaluate the relevance of the recommendations following at the latter stages of the Arfor programme.

1.2 Context

1.2.1 Policy Context

The role of the Welsh language in economic development — and economic development's impact on the language — has been a topic of discussion for years. In 2014, an independent Task and Finish Group published a report emphasising the need for further evidence and research in relation to the link between the economy and the language.

The Welsh Government's current Welsh language strategy, '[Cymraeg 2050](#)', notes the importance and impact of the economic context upon the Welsh language. It presents the view that the strongholds of the Welsh language are dependent on jobs in the public sector, or on jobs associated with specific 'rural' industries such as agriculture, tourism or the food industries. It also acknowledges the negative impact of economic factors upon the language and its sustainability in these areas. In this regard, it echoes previous strategies such as '[A living language: a language for living - Welsh Language Strategy 2012 – 2017](#)'. Importantly, however, the strategy, echoing the government's '[Prosperity for All: the National Strategy](#)', acknowledges the need for economic and social change and to develop the economy in a manner that can sustain the language:

'We cannot expect Welsh-speaking communities to remain static while the nature of society is changing. As such, the Welsh Government fully recognises the importance of developing a thriving, sustainable economy in rural areas, including in the areas described previously.' (Cymraeg 2050, p.62)

The Welsh Government's 'Prosperity for All' strategy outlined its plans to develop the economy of Wales in the future. A criticism of the strategy, however, is that it is a regional approach that fails to identify the 'heartlands' of the Welsh language as requiring specific or alternative economic consideration. Essentially, the four rural counties, wherein the Welsh language is strong and prominent, are included in economic regions in which, as a whole, English is predominant and where the emphasis appears to concern urban centres. The concern, therefore, is that economic-language planning is likely to be side-lined or downgraded in a regional context of this nature.

More broadly, there was a perception amongst stakeholders interviewed, for both the interim and final evaluation reports, that government policy had historically approached (rural) economic development and language policy as distinct policy fields, with the latter rarely integrated into the former. Where language and economic policy meet, it is primarily focussed on highlighting or maximising the value or impact of the language within or upon businesses, rather than on recognising the economy and economic processes as tools with which to influence the language and its use.² Indeed, this was a key finding of the Interim Report, echoing key studies by wider research bodies and academics. Therefore, whilst a strategic desire to support the language through economic intervention exists, Arfor can be seen as the first to explicitly seek to use purely economic interventions to support the language.

² Currently there are two key sources of support for businesses and the economy that relate to the Welsh language. These are Business Wales' Helo Blod service, and the Welsh Language Commissioner's business support team.

In this sense, therefore, Arfor comprises a fundamentally different approach to rural development, where language revitalisation is integrated and a key aim alongside sharing prosperity. Moreover, the approach and ideal of placing language revitalisation and sustainability as an explicit goal of rural and economic development lends itself to the wider rural agenda.

The Welsh Language Commissioner's Hybu team and Business Wales' Helo Blod

Two key sources of support for businesses looking to develop their capacity and use of the Welsh language were derived from the Welsh Government's Business Wales service and the Welsh language Commissioner's *Hybu* business support team. Business Wales' Helo Blod service is designed to offer fast and accessible translation and proofing services to businesses and charities. The service also offers advice in relation to the use of the Welsh language within the business or charity. The Welsh Language Commissioner's *Hybu* business support team seek to promote the use of Welsh within businesses and support individual businesses in their efforts to develop their capacity and services. The service offers a range of support including advice and guidance, as well as profiling and supporting the design of language development plans for individual businesses.

These can be seen to represent the language>economy approach to supporting the Welsh language, i.e. efforts to promote the use and take up of Welsh language services and products by businesses or promoting the value of the Welsh language to individuals within the labour market or businesses more generally. These do not represent the economy>language approach which relates to economic or business interventions that have an impact upon the Welsh language.

Each local authority had an existing relationship with these sources of support. The established and effective relationship with the Helo Blod service in particular was deemed a key factor in their involvement within the design of the funding provided to businesses as part of the Arfor programme.

1.2.2 Practical context

The programme was significantly impacted by the coronavirus pandemic in a number of ways. Firstly, the overall aim of creating jobs was, albeit informally, modified to also include the safeguarding of jobs. Secondly, individual projects and grant holders amended, postponed or, on rare occasions, abandoned plans that were proposed in applications. Thirdly, and in relation to the evaluation, fieldwork was restricted to online and remote data capture.

Consequently, all interviews and workshops conducted for this evaluation were conducted over MS Teams or telephone. The evaluation team was unable to conduct any in person visits to observe sites, businesses or ongoing activities as originally intended. The evaluation consequently draws exclusively upon the contributions of participants and management staff and the monitoring and evaluation data captured by the management team.

1.3 The Evaluation

1.3.1 Aims and Key Research Questions

The Arfor programme, despite a particularly wide initial remit, essentially evolved into a pilot or demonstrator fund. The programme sought to support a number of relatively small individual schemes whose impact upon the economy, and consequently the language, is theorised, but not proven or evidenced. Through the external and internal evaluation processes, it is hoped that the programme will reveal key lessons in relation to the types of interventions that have a positive impact upon the economy as well as the language. It is hoped also that the programme will lead to valuable insights in relation to how certain economic processes benefit the language.

This report represents an outcome and a process evaluation of the Arfor programme. The evaluation details the findings in relation to both components in Chapter 2 and 3. The conclusions seek to concisely summarise the findings of the report by addressing two key and three sub- research questions. The key and sub- research questions are:

1. What impact has Arfor had upon businesses? Would this impact have been secured without the support from the programme?
2. Based on the learning from this programme, how can economic interventions contribute to the sustainability of the Welsh language in the Arfor area?

Whilst the evaluation seeks to answer these key research questions, there was particular interest from management and stakeholders in the wider implications and lessons of the programme. This report contains, therefore, a more extensive discussions section (Chapter 4) than would be expected, which explores any insight gained into key concepts surrounding economy>language interventions and language policy more generally. This section also seeks to consider and relate the findings to the wider context explored in the Interim Report.

1.3.2 Methodology and data

As a pilot programme that explores the feasibility of economic interventions as a means of supporting the language, the evaluation has adopted an inductive and exploratory approach, i.e. no specific targets were set against which the success of individual schemes were to be measured. Rather, detailed qualitative research was undertaken to explore the impact of the various schemes upon the businesses and beneficiaries before drawing general conclusions. The only target as such was the expectation that, to be considered successful to any extent, a scheme needed to have had a positive impact upon the economy and the language. However, this was objectively measured by exploring businesses and jobs created, and revenue generated. The evaluation sought to learn lessons and explore the processes by which economic interventions can support the language.

As a pilot programme that sought to support several schemes, across a wide area and with limited investment, it was unlikely that the impact of the programme will be evidenced in national or even local economic and language data. The programme's **impact was unlikely to be identifiable within economic and language metrics.**

It was also **unlikely that any significant quantitative data will be available to evidence the programme's impact.** This was primarily due to the impact of the coronavirus pandemic, slowing and postponing delivery, as well as the nature of the interventions, i.e. long-term changes to businesses and the development of new services. In short, data would not be available until after the evaluation period. Moreover, with each individual business grant application being unique and bespoke, comparisons between the recipients and schemes are **limited to qualitative, comparative observations and analysis** rather than statistical investigation. Objective, quantitative data was available, but would only evidence some of the impact that is forecasted, such as businesses and jobs created, or revenue generated.

It is nonetheless recommended in this report's conclusions, that the Arfor management and the LAs involved **continue to monitor the impact upon and development of the programme's beneficiaries into the future.**

Whilst the evaluation does draw on the limited quantitative data available, the reliance is primarily upon qualitative data generated from a number of interviews with beneficiaries (businesses and individuals who have benefitted from the schemes), management staff and stakeholders. The aim of these interviews was to generate insight inductively. The evaluation has sought to explore the experiences and impact upon a sample of beneficiaries from each scheme, and to present the findings alongside the views of management staff and stakeholders.

The research team undertook the following activities between December 2020 and March 2021 to collect data for the evaluation:

- 12 Semi-structured interviews with delivery and management staff
- 43 Semi-structured interviews with stakeholders at the interim stage and 12 at the final report stage
- Review of application and delivery documentation
- Review of monitoring and performance data
- Semi-structured interview with 42 business owners/managers in receipt of grant support
- Exploration of 5 Ffiws case studies alongside management and delivery interviews (x2)
- Interviews with 4 Llwyddo'n Lleol beneficiaries
- Interviews with 2 Ffiws staff members
- Interviews with 3 Cymunedau Mentrus beneficiaries
- A workshop with stakeholders and staff.

2 Discussion of individual programmes and findings

2.1 Programme Outputs and Outcomes

Table 2.1: Scheme Output and Outcome Data

Local Authority	Business Supported				Jobs safeguarded		New jobs within 12 months		New jobs within 2 years		Additional Impact			Expenditure
	Grant	New Businesses (younger than 12 months)	Existing Businesses	Total	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Work Placement	Increased Turnover	Increased use of Welsh	
Ynys Mon	Business	4	9	13	13	16	36	12	52	15	2	10	9	£401,464.00
	Language	9	25	34								21	24	
Gwynedd	Ffiws													£74,227.27
	Cymunedau Mentrus	not recorded	not recorded	3										£81,000.00
Gwynedd & Ynys Mon	Llwyddo'n Lleol	22		22										£100,000.00
Gwynedd	Cymorth i Fentro	not recorded	not recorded	17					58	7				£173,757.20
Ceredigion	Mentro mewn Buses	not recorded	not recorded	14	42				60					£211,616.58
	Tyfu yw'r Nod	not recorded	not recorded	17										
Carmarthenshire	Sector Grant	20	24	44			11	11	21	44				£466,250.00
Bwrlwm Arfor	Promotion & Marketing													
Total		55	58	164	208	16	47	23	191	66	2	31	33	£1,749,310.21

Source: Project Monitoring data³

³ 10 Businesses received both Language Grant and Business Grant and the total unique businesses is 154

Table 2.1 above presents the combined monitoring data from the four Local Authorities. However, as detailed below, the job figures are very likely linked to projections and estimates. This is partly due to the expectation that the grant would have a long-term impact upon the businesses, and partly due to the impact of the coronavirus pandemic, which has halted delivery and is perceived to have delayed impact.

2.2 Direct Business Support/Funding:

A significant portion of the programme consisted of various direct business support / funding schemes. These included the Language and Business grants in Ynys Môn; the Cymorth i Fentro grant in Gwynedd; the sectoral grants in Carmarthenshire; and the Twf and Mentro grants in Ceredigion.

Although there were differences between the schemes, they were generally very similar. All entailed direct, revenue and capital grants to businesses. Businesses were all required to outline their plans to develop both the business and use of the Welsh language within the business. Selection panels approved applications in all instances, though with additional, senior official approval in some Local Authorities. The findings in relation to the delivery and impact of the grants were also similar. Consequently, for brevity and to avoid the repetition of similar findings, this section will discuss the direct grants to businesses in general terms unless specific differences merit particular attention.

Design and aims

All businesses interviewed were clearly in agreement with the programme's rationale and felt that there was a need to both create jobs and support the Welsh language in the area. Although many of the businesses interviewed use the Welsh language within their business, most also saw an opportunity to increase or expand that provision.

Ynys Môn

The small Language Grants were designed to support businesses to develop their Welsh language services and products. Businesses were required to outline specific interventions that would be funded by the grant as well as their longer-term plans in relation to the Welsh language services and products. The grant (of up to £5,000 in 2019/20 and up to £2,000 in 2020/21) was designed to pay 80% of the costs of any visual support needs such as;

- Point of sale signage for shops.
- Support to ensure that the Welsh is heard, such as paying for Welsh language social entertainment.
- Marketing materials in Welsh such as providing support and covering the cost of producing films to promote the business digitally.
- Or supporting businesses to develop their use of the Welsh language by covering the cost of Welsh language lessons.

After a successful application and panel interview, businesses would be required to engage with Helo Blod, the Welsh translation and advice service provided by Business Wales.

The generally much larger Business Grants of up to 50% or £30,000 were more straightforward, offering capital grants to support businesses with any developments and costs if justified within the application form. Businesses were also required to outline language development plans for the future, and to engage with the Helo Blod service.

Gwynedd

Gwynedd operated the Cymorth i Fentro scheme, effectively supporting businesses through a support package. Working with Business Wales and the Enterprise Hub, the aim was to identify how a business could develop over five years and removing any barriers for growth. The programme was aimed at businesses involved in production (virtual or physical), but there was flexibility. In practice, however, only small and micro businesses expressed any interest in the support. However, the funding was designed to operate alongside wider support schemes.

Through relatively coordinated promotion, staff and indeed businesses reported having moved from one support scheme to the next. Some, for example, would start by engaging with Ffiws, then apply for Cymorth i Fentro to further develop business ideas. Businesses in receipt of support were required to engage with the Helo Blod service provided by Business Wales.

Ceredigion

Ceredigion offered two direct grants to businesses. The first, Grant Mentro, was aimed specifically at start-ups whilst the second, Grant Twf, was open to any businesses in the county. The grants were designed following a consultation forum with businesses in the area. A few core principles were established that define the grants and delineate their role from wider support offered to businesses.

Firstly, the management staff desired a flexible grant that was accessible to small and micro businesses that would not normally have the capacity or meet eligibility criteria for wider support. The grant would meet revenue and up to £10,000 of the capital costs outlined in the applications, but outside of which there were no restrictions to the grant's use. The variety of businesses that engaged with the grant was later attributed to this flexibility. Staff did not want to limit the grant to particular sectors and noted that they had **not received any applications from some key sectors in the area**, suggesting that this demonstrated there were other sources of support for such businesses.

'We need to create new businesses. But I wouldn't want to restrict what sectors we support too much. Grants are often available for the food and drinks sector, or tourism. But we didn't receive one application from the tourism sector really.'
[Author's Translation] (Management Interview, 2021)

The **flexibility also extended into the application process itself**. The management adopted a discursive approach to the development of applications, refraining from outright refusal if the staff considered the application to have potential, even if the scoring was not thought to meet the threshold. Staff would work with businesses to develop the applications further, often noting in interviews that the businesses were often inexperienced in preparing grant-applications.

Moreover, the panel, who would review applications, were also given leeway to recommend resubmission and offer constructive feedback. Staff noted that the process led to **applications that were ultimately far more aligned with the aims of the programme than the initial submissions.**

Secondly, the application required the business to show substantive engagement and intention to develop the Welsh language capacity or services of the business. Up to 25% of the application scoring was awarded to Language planning and development within the grant. This, both management and businesses noted, **anchored language development within the wider development of the business.**

Management staff also noted that they received little push-back from businesses and that the grant effectively operated as a form of **leverage to push businesses further in their language development journey.**

'The thing with a grant is that you have something to offer like a hook. You can have that engagement and start mentoring. They get more value out of it as well because we can start sharing more information with them.' [Author's Translation]
(Management Interview, 2021)

Carmarthenshire

Carmarthenshire County Council sought to focus expenditure upon two key economic sectors. These sectors were the food and drinks and creative industry sectors, both key sectors identified in the authority's [economic and strategic planning](#). The process involved four separate calls for applications, for officers to review the applications before passing them to the Local Action Group (LAG) for approval. Alongside the receipt of grant funding for capital investments, the business was expected to engage with the Helo Blod service provided by Business Wales.

The decision to focus upon two key sectors elicited criticism from some stakeholders and management staff. However, it was also identified as a key strength of the grant within Carmarthenshire. Stakeholders questioned the value of a relatively small grant targeted at two sectors that were in receipt of considerable support from other sources. These stakeholders questioned what additional impact this grant could have provided on top of that which was available already.

However, management staff suggested that there were numerous benefits to focusing upon these two sectors. Firstly, the grant offered a means by which the Local Authority could **further support their strategic economic priorities.** Gaps could be filled, and staff noted that they **worked closely with wider schemes** such as the [Cywain](#) programme in **identifying businesses who could further benefit and develop with support from the Arfor grant.**

Secondly, **smaller businesses** that would otherwise be ineligible or would find it difficult to compete for broader grants, support or funding, **could access the Arfor grant for very bespoke and specific reasons**. This linked to a broader strength of the grant, namely that **the grant could be particularly flexible and could fund very specific but key technological or capital developments** that would consequently **enable the businesses to overcome barriers or open up new markets and sources of revenue for the businesses involved**.

Finally, management staff were keen to stress that because of the focus upon the Welsh language, **this grant was distinctive and added value to the whole package of support targeted at the authority's key sectors**. Staff noted that in placing the language as a key consideration within Arfor grant applications, an explicit and unique focus was placed on developing Welsh language capacity alongside other aspects of the business. The grant, staff suggested, forced businesses and their owners to think differently and to give genuine consideration to the language. Linking with the Helo Blod sessions, it was felt, helped develop the thinking around how to include and capitalise upon the Welsh language within the business.

2.2.1 Application Processes

Application processes across all grants were viewed generally favourably by both management staff and businesses. Application processes were commonly seen to be straightforward and, though very occasionally overly bureaucratic, they were well supported by attentive staff. Businesses also reported receiving clear and quick communication from the council and effective feedback on their applications.

Management staff, particularly in **Ceredigion**, suggested that there were further benefits to this model noting that, in administering the grants themselves, the council staff developed a deeper understanding of businesses in the area. This, staff noted, was of particular value when designing and delivering further direct business grants and will be of continued value to staff working within economic development.

'One of the side effects I think from our side as a Council, and I wouldn't have foreseen this, but because we've worked with businesses in the area through Afor... what we learned through Arfor was a big help for us when we were delivering the pandemic support. Between that grant and Arfor, there aren't many businesses in Ceredigion that we don't know about now. We have a better picture of the type of businesses we have in Ceredigion.' [Author's Translation] (Management Interview, 2021)

An exception to the Local Authority managed process would be **Ynys Môn**. The application 'front line' process for both **Ynys Môn** grants were effectively outsourced to Menter Môn, with the Council role being budget management and issuing offer letters and payments. In year 2 the language grant was fully delegated to Menter Môn. Alongside the positive comments from businesses and applicants, management personnel also noted that this approach led to a **more streamlined process and brought particular benefits**.

Menter Môn were seen to be able to turn applications around quickly. Moreover, Menter Môn staff, with links to the wider support infrastructure for the Welsh language, were able to draw upon their experiences to **provide additional advice and more informed comments on the applications**. Staff were also able to highlight additional sources of support, not least from the Menter Iaith.

'The process with Ynys Môn council wasn't too easy, there were a lot of hoops and such, and the Council were keen that recommendations from the selection panel would have to go to a senior officer. We like to turn grant applications around quicker, so that's where the language grant came in.' [Author's Translation] (Management Interview, 2021)

Businesses seem to have found out about the grant through different ways, often the Local Authority and its social media platforms or website, but also through word of mouth from friends, colleagues or other businesses. It was felt, particularly in **Carmarthenshire**, that the coronavirus pandemic had impacted take up of the grant and the number of applications received, however more applications were received during the final six months of the programme.

'When things settled in September there was money for another call [for applications], but the uptake wasn't as big as we thought it would be. For one, there was a lot of support from Welsh Government. Secondly, businesses had more of a survival than a growth mentality. Three, there are a lot of cases [of COVID-19] in some areas. Four, there were staff costs associated to a lot of these grants so they couldn't commit. Since we've reopened the grant more recently, there's a lot of interest and the focus of the businesses has moved back to those growth ambitions, and there are a lot of start-ups.' [Author's Translation] (Management Interview, 2021)

2.2.2 Delivery

Management personnel saw that the grants could fulfil a very particular role. Staff in **Ynys Môn** for example, spoke of encouraging businesses to apply for the Language Grant before moving onto the Business Grant. This would effectively force the business to engage with the Helo Blod service and secure some Welsh language outputs or outcomes. Management staff for all grants suggested that the Business Grant did not always secure such outputs or outcomes, and that businesses saw the language requirements as a somewhat peripheral criteria and component. The Language Grant, however, was viewed by management as a means of securing Welsh language outcomes. This was due to the fact that significant scoring was awarded to the development of the business' Welsh language capacity within the application process.

'In terms of what we change, the one that is most obvious is, like any grant scheme, you have businesses that would do whatever [is needed] in order to receive the funding. What we did was to introduce a process of applying for a language grant to start, then going on to the business fund, so that there is a link with Helo Blod. Some went straight to a business grant, as long as someone

promised to do something linguistical. There is a risk that the second approach has not worked as effectively in terms of achieving a language benefit.' [Author's Translation] (Business Interview, 2020)

Reach and type of beneficiary

Ynys Môn

In total, 37 businesses received one or both grants. Data shows that of 34 businesses that received the Language Grant, 13 of which also received the Business Grant. Three businesses only received the Business Grant.

A variety of businesses received funding through the grant, ranging from pizza restaurants to physiotherapists, milkshake companies and wedding services companies. All businesses interviewed suggested that the grant was easy to access, and information was easy to come by. Fears of the application process were generally positive although a few suggested that there were either delays between the application and approval, while a few also commented on the positive support received from staff.

As expected, the Language Grants were designed to support the development of Welsh language services and its use within the business. The businesses interviewed reported a range of skill sets and capabilities in relation to the Welsh language. Some businesses, for example, consisted of staff who were fluent Welsh speakers, and others consisted of staff who are limited in their Welsh language skills and capabilities or lacking confidence to use it.

Gwynedd

The Cymorth i Fentro grant was effectively the smallest, supporting 17 businesses in total. These businesses were largely small and micro businesses across a range of sectors including bakeries, butchers, printers, distilleries, timber works and honey producers. Around a third of the companies in receipt of funding were involved in the food and drink sector, making it the most represented.

Ceredigion

31 businesses received a grant in Ceredigion, 17 'Grant Mentro' and 14 'Grant Twf'. Management staff noted that the **majority of the 'Grant Mentro'** were awarded to businesses whose owners were **under 35**. This was not by design but, management staff felt, was due to the demand from younger businesspeople seeking support for start-ups. **Access to capital and a lack of credit rating were significant barriers that younger people faced in raising funds to invest in businesses.**

'There was one young man, 17 years old, who wanted to go on his own as a welder. He'd done the training, but it was hard. We actually gave him an up-front payment. You see, it's hard for anyone that age, without a credit history, to get a loan from a bank. We've been able to be more flexible to support businesses to develop. It's kept these people in their local area and working to benefit the community and local economy. In a way, that's what Arfor is; yes it's to do with the language and business, but more broadly it's about keeping people local, especially younger people.' [Author's Translation] (Management Interview, 2021)

A range of businesses were supported, though all were small or micro businesses. Some were businesses that were notable as a Welsh language business. When questioned as to the logic of supporting these businesses, management staff noted that the selection panel saw these companies as **leaders or beacons in the community that demonstrated there was value to the Welsh language in business**, and that these merited support and promotion.

'They were all small businesses. But in terms of a business like [business name redacted], the Welsh comes naturally. They operate through the Welsh language. Many of these businesses do that... so we wanted to help sustain those businesses in the area, through that investment in innovative development. We also wanted to recognise that there was a value to being a Welsh company as well. This has promoted them and given them a platform to show that they are recognised and that there's value to the language in business,' [Author's Translation] (Business Interview, 2021)

Carmarthenshire

In total, 24 established and 20 new businesses were supported (new businesses being defined as those that had been operational for 12 months or less). Two businesses received two grants. Of these, 30 of the businesses were from the food and drink sector, 9 from the creative industry sector and 5 were classified as 'other', with a looser connection either to one or both sectors. The grant is projected to have spent £449,286.66 in supporting these businesses. However, management staff noted that due to the coronavirus pandemic it had proved difficult to spend the money due to delays and businesses closing during lockdown. Businesses were on average awarded £10,211.06. Two businesses received a £50,000 grant for the development of spaces, and when these outliers are omitted, the average grant received by businesses is £8,316.35.

The food and drinks businesses consisted of producers, wholesalers and customer facing businesses such as cafes and restaurants. Seven of the businesses were related to the dairy industry, producing milk, ice cream or yoghurt. A range of other food and drink businesses were also in receipt of grant funding such as bakeries, animal food producers, tea wholesalers and home cooking businesses. Businesses within the creative industry sector consisted of clothing manufacturers or printers, craft producers and a digital and podcast producer. These were all micro or small businesses, aiming to expand services and create jobs as a result.

The grant was used to fund capital investments in a wide variety of ways. For example, Dairy businesses, particularly milk producers, investing in milk vending machines designed to enable the business to sell directly to the public. Some of the creative businesses invested in printing equipment, digital hardware and software, or the development of workspaces.

Alternatives and counterfactual

The businesses across all direct grants suggested that, as small and micro businesses, they were **not in a position to fund the kinds of developments to their businesses without the Arfor grant**. This seems to suggest that the scale and size of the grants have enabled businesses that would not normally have the means to invest in and develop the Welsh language services and products.

'As a very small business I wouldn't have been able to afford to pay for a translator to make all of my marketing, website and instructions bilingual. I don't think it would have been possible to get a loan to do this.' (Business Interview, 2020)

As discussed below, the Grant Mentro in Ceredigion attracted applications from young people exclusively. Many noted either in interviews or to management staff, that sourcing investment for their start-ups or nascent businesses was particularly challenging given their lack of experience and awareness of sources but also a lack of credit history that limited their ability to access sources. **Arfor consequently presented an accessible means of sourcing investment for their businesses.**

The support also appears to have **stimulated substantive engagement with the Welsh language, unlikely to have happened otherwise.** The Language Grant in Ynys Môn, for example, has supported businesses in their development of bilingual or Welsh language services and products. It was thought very unlikely that these businesses would have developed these services and products without the funding. Implicit and sometimes explicit in the responses of businesses was the suggestion that investment in Welsh language services or products was not likely to be a priority for any business.

More widely, management staff and businesses echoed each other's suggestions that businesses either would not have come across the support available to develop Welsh language services and capacity or would not have engaged as substantively as they had through this Grant. As discussed below, the requirement and score weighting within the application process also encouraged a **substantive engagement with the development of the Welsh language and wider support services.**

External Factors

The coronavirus pandemic had a significant impact upon the grant in several ways. Firstly, the applications and interest in the grant, particularly in some Local Authorities, have fluctuated due, in the view of management personnel, to the shutting down of businesses or the switch from a 'growth' to a 'survival' mentality during the pandemic.

Secondly, the pandemic impacted upon businesses and their ability to fulfil the conditions of the grant. While the purchase of equipment was possible, though often delayed due to wider supplier and business closures during the lockdown, the operations of the businesses themselves were often reduced in scale or even shutdown completely during the lockdown. Management staff noted that these delays frequently lead to businesses amending their delivery plans with a knock-on delay in approving and transferring funds and the spending of the grant money. Management personnel noted however, that levels of interest in the grants, particularly in Gwynedd and Mon, remained high throughout the pandemic, even if their capacity to fulfil the conditions of the grant was limited.

Importantly however, as a result of the coronavirus pandemic, few of the businesses interviewed felt particularly confident in relation to the outcomes of the impact of the grant. Most suggested that the outcomes noted in monitoring forms were indicative, and further validation or corroboration would be needed in the future.

No business suggested that the outcomes would not be achieved, only that it would take longer to do so due to the delays caused. However, individuals interviewed did not feel that it was possible to evidence the impact of the new services or products upon turnover of all the business more generally. **While the grant has clearly led to the development of services and products through the Welsh language, the impact of doing so and proof of concept is still to be evidenced.**

'No new posts have been created as the wedding season was disrupted by Covid. Most of the seasonal staff we take on are local and tend to be Welsh speaking.'
(Business Interview, 2020)

However, management staff were also of the view that the programme had benefited from a wider set of external circumstances and factors that influenced trends in social and business life. Staff noted, for example, that there was **a growing interest in the notion of buying local**, and the grant represented a means by which businesses could look to capitalise on this trend. Moreover, the emphasis on the Welsh language, local produce or the sourcing of key components or ingredients locally had helped highlight the local character of those businesses and staff consequently felt that they were in a good position to capitalise upon a growing desire to buy local produce.

2.2.3 Impact on the business

Key Findings

- Helped safeguard 208 full time or FTE jobs and 16 part time jobs.
- Helped businesses create 238 FTE and 89 part time jobs.
- The pandemic and related delays have restricted the ability to gauge the impact of the grant revenue streams. Validation and corroboration of the outcomes would still be needed for the impact to be assessed objectively.
- Grant used to develop new products and innovate within the business.
- Businesses are optimistic in relation to the impact that the developments funded by the grant would have upon their businesses.
- Anticipated impact included more efficient delivery of services or more clients, customers and turnover.
- Businesses felt that there were few if any alternatives.
- Grant Mentro (Ceredigion) was entirely taken up by young people.

Management staff consider that the impact of grants upon businesses and their turnover would be best evidenced in the future. Indeed, staff noted that two years would have been very tight to evidence any impact under any circumstances, but particularly given the delays caused by coronavirus pandemic. However, they were confident that new products and services had been created as a result of the grant.

It should be noted that the figures quoted below include figures for full-time, part-time and full time equivalent (FTE) jobs. This is because of different monitoring/reporting processes used by different Local Authorities.

In total, the direct grants to businesses are claimed to have supported 95 businesses (85 unique businesses), **helped safeguard 208 full time or FTE jobs and 16 part time jobs**. They have also, monitoring data claims, **helped businesses create 238 FTE and 89 part time jobs**. With a total expenditure (at the time of writing) of £1,494,082.94, this amounts to a ratio of **one FTE job safeguarded for every £6,917.05 and one FTE job created every £5,288.79 spent**.

These figures must be treated with caution however, as the data provided relates only to the anticipated outcomes that have not been corroborated.

Table 2.2: Impact of the Direct Grants to Businesses

Local Authority	Business Supported				Jobs safeguarded		New jobs within 12 months		New jobs within 2 years		Additional Impact			Expenditure
	Grant	New Businesses (younger than 12 months)	Existing Businesses	Total	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Work Placement	Increased Turnover	Increased use of Welsh	
Ynys Mon	Business	4	9	13	13	16	36	12	52	15	2	10	9	£401,464.00
	Language	9	25	34								21	24	
Gwynedd	Cymorth i Fentro	not recorded	not recorded	17					58	7				£173,757.20
Ceredigion	Mentor mewn Busnes	not recorded	not recorded	14	42				60					£211,616.58
	Tyfu yw'r Nod	not recorded	not recorded	17										
Carmarthenshire	Sector Grant	20	24	44	153		11	11	21	44				£466,250.00
Total		33	58	95	208	16	47	23	191	66	2	31	33	£1,494,082.94

Source: Programme Monitoring Data

Ynys Môn

The monitoring data collected by **Ynys Môn** suggests that out of 37 businesses who received one or both grants, **23 have expanded the business** while **nine were new businesses**. **31** of the businesses reported that **turnover had increased**, **24** had reported that **new products or services were created** and **33** noted that the **use of the Welsh language had increased** as a result of the grant. Two of the businesses reported that **new qualifications/accreditation were achieved** by the business (or staff members).

The monitoring data also suggests that **88 new full time and 27 new part time jobs** will be created within or sooner than two years while **13 full time and 16 part time jobs were also safeguarded** as a result of the grant. This is a ratio of **creating one FTE per £ 1,873.88 spent**.

Two work placements were also created. However, all of these jobs had been created or preserved by businesses who also received the Business Grant. None of the businesses who received only the Language Grant reported having created or preserved any jobs. It is likely, therefore, that all of these jobs were created as a result of the Business Grant and not the Language Grant.

Monitoring data also suggests that the grants have stimulated a total of **£285,189** in investment from the companies themselves, £262,851 of which came in relation to the business grants. This investment was made by the companies to support or complement the developments being funded through the grants. More broadly, the investment suggests that businesses valued the investment enough to commit their own resources to support the developments. **On average, each business grant encouraged £12,516.71 of private investment**, however amounts varied significantly between grants.⁴ Businesses invested as much as £45,497 and as little as £1,674.

Ynys Môn Language Grant

Interviews also suggested the Language Grant had not led to the creation of any new jobs, although any increased turnover could sustain and possibly lead to the creation of new jobs. The products or services that were created through the Language Grant were all related to external and formal communication with customers. The grant supported the creation of all the new translation of existing online booking services, menus and websites. As a result, customers can engage with businesses, their services and products through the medium of Welsh. Most of the businesses however consisted of staff who were fluent in Welsh, and had reported that their dealings with customers, albeit on an informal level, was already through the medium of Welsh.

Gwynedd

The Cymorth i Fentro Grant in Gwynedd supported **17 businesses**, creating **58 new full time and seven part-time jobs**. This is a ratio of **one FTE created per £2,825.32 spent**. Management staff stressed however that these figures were in anticipation or speculative and that, mirroring responses in interviews, these numbers had not been reached to date. Continued monitoring of the businesses supported is key to validating this impact.

⁴ A standard deviation of £12,660.32 illustrates the differences between amounts.

As with most businesses, the pandemic has impacted delivery and the extent to which the impact can be measured. However, interviewees were **optimistic in relation to the impact that the developments funded by the grant would have upon their businesses**. Those interviewed were able to give details of their plans and the development steps in the short and medium-term.

'We've not seen results yet because the visitor centre has not been able to open because of Covid restrictions. When it opens it should attract more footfall and increase sales. We will employ two bilingual tour guides. The bilingual digital information screens should also increase footfall to other local businesses as they will also promote them to visitors.' (Business Interview, 2021)

Some were able to be more specific and confident in relation to the impact however, particularly those who had adjusted their delivery and focussed on remote or on-line services or products. However, **validation and corroboration of the outcomes would still be needed for the impact to be assessed objectively**. Management staff felt that the wider package of grants and the incorporation of support through Business Wales added additional value to the approach. Businesses benefitting from the grant were in a position to draw on business advice and were made aware of further support that was available.

Ceredigion

The two grants supported **31 businesses in total, 17** benefitting from the 'Grant Mentro' and **14** from the 'Grant Tyfu'. In total, the two grants **created 60 FTE jobs** and helped **safeguard 42 FTE jobs**.

Businesses frequently noted that the benefits of the Grants would be delayed due to the impact of the coronavirus pandemic. All were nonetheless confident that the support provided would ultimately lead either to **more efficient delivery** of services or **more clients, customers and turnover**.

'This has allowed me to purchase a CNC machine which allows me to produce more in a shorter amount of time, and more accurate. Able to halve [the time taken] and do another task at the same time.' (Business Interview, 2021)

Management staff were insistent that the **support offered to the 17 start-ups** through the 'Grant Mentro' was **particularly impactful**. Business interviews echoed this view. This was thought at least in part due to the younger age of the business owners and the challenges they faced in accessing finance or qualifying for loans.

'Those new businesses that have started, it's allowed those 17 businesses to exist. It's enabled those businesses to start up in a very difficult period. Many of each grant have said that they would've really struggled without Arfor, and that's saying a lot around here. The 17 new businesses though, I doubt they would've started at all. They would definitely have struggled.' [Author's Translation] (Management Interview, 2021)

'I mean, it's allowed me to set up the business and have a job. I've also been able to offer newer services and to do larger jobs because I have the right machinery.'
(Management Interview, 2021)

Carmarthenshire

Monitoring data collected by management staff suggested that **153 jobs had been safeguarded**, although 92 of these were related to two businesses. Delineating the Arfor grant from wider coronavirus support is challenging however, and it is unlikely that the grant was the sole or even main means of safeguarding these jobs. Furlough and the wider business support are likely to have played a more instrumental role in safeguarding the jobs and businesses, although the Arfor support should not be discounted.

In total, 11 new jobs will have been created by the end of March 2021, and eleven part time jobs would have been created by the same period. A further 21 jobs will have been created within a year of the programme ending and alongside a further 44 part-time jobs. In all, therefore, the grant is expected to have **safeguarded 153 jobs** and will, within 12 months, have supported the creation of **32 full time jobs and 55 part time jobs**. A ratio of **1 FTE created per £7,836 spent**.⁵

The businesses interviewed noted that any jobs that were intended or would be created as a result of the grant would, they hoped, go to local residents. Only monitoring data collected at a later date will evidence this. The language profile of new recruits will inform the impact in relation to the wider aims of the programme. In some instances, the business owners themselves had been able to commit full time to the business.

'This has created a full-time job for me. I've always lived in this area and I speak Welsh already.' [Authors Translation] (Business Interview, 2021)

The new businesses, i.e. those that were in the process of being established or had been in existence for less than 12 months, **suggested that the support proved to be a key factor in a successful establishment**. These business owners frequently noted that capital was difficult to source, and either that there was **no alternative to the grant**, or that a bank loan would have consisted of a more drawn out and bureaucratic process as well as being too risky or costly a financial commitment for the company. The grant was therefore not only a source of funding that would have been difficult to source elsewhere, but also enabled the business to move quickly in developing, setting up and beginning to trade.

'We couldn't get the money otherwise. Not without Arfor. There was no other suitable finance around. This helped us expand the business much quicker.'
(Business Interview, 2021)

⁵ This assumes that the Part Time jobs equate to 0.5 FTE

All businesses interviewed reported that the grant had a significant impact upon their business. As well as helping the businesses to be established, the existing businesses reported having expanded their operation and were expecting increased revenue as a result of the developments. However, the coronavirus pandemic had **restricted the ability to gauge the impact of the grant upon their revenue streams** and that objective; quantitative data to evidence the impact was not available at this stage. Other factors delayed or limited the extent to which the impact could be evidenced. Some businesses for example, were still awaiting safety certificates, or were only in the process of beginning to trade.

'We've not sold yet because we're still waiting for Food Hygiene status. We've started pre-orders on the website. But salami and so on takes at least four months to dry out before you can start selling them.' [Author's translation] (Business Interview, 2021)

General findings

All businesses interviewed noted that their **marketing communication materials with clients and customers were already bilingual** and that, due to the skills and abilities of this staff, were already able to and tended to engage informally with customers through the medium of Welsh.

In some instances, but most notably **Carmarthenshire**, staff were of the view that people were more interested in moving to the area or staying in the area to start their businesses because the grant was available, possibly due to the wider package of support available to particular types of businesses.

Management staff also felt that the businesses supported by the grant were notable and prominent within their local villages and communities in many instances. Although difficult to evidence, management felt that these businesses were **helping to build resilience within the communities** as well as, over time, providing examples of where local people can succeed without having to leave the area. These were subjective views expressed by the management, and merit further investigation if and when possible.

'There were these two brothers with a farming background who wanted to stay in the area. They wanted to give something back to the area, so they started a yoghurt business. This sort of thing came through in many applications and it might be something in terms of COVID and people wanting to come home as it were... The milk vending machines as well, people are trying something that's a little bit different. That local thing is coming through in the applications, this idea of buying local. Another example would be a couple, non-Welsh speakers, who have been growing wheat that is indigenous to the area and using that to make and sell bread. They see the heritage and the history and things like that. It goes beyond the language, it's about the community really wanting something and wanting to create a Welsh produce for Welsh people. It's about a sense of place.' [Author's Translation] (Management Interview, 2021)

More broadly, management staff felt that it would have been advantageous to have been able to match the funding with LEADER funding. This may have enabled more sophisticated or joined up applications to be developed involving both capital and revenue spend for innovative developments, particularly if more time had been available to develop ideas.

2.2.4 Impact on the Welsh Language

Key Findings

- Direct Grants have embedded language provision and development within businesses.
- This is done through the application process and scoring emphasis upon Welsh language capacity and service development.
- Belief that this has ensured more substantive engagement with the agenda, as well as with wider government support services such as Helo Blod.

With the exception of the Language Grant, the language outputs were more difficult to gauge. Only some monitored the businesses in this regard. In **Ynys Môn**, **33 of the 37** recipients of either or both funds noted that their business' **use of Welsh had increased** whilst **24** noted that they had **developed more Welsh or bilingual signage**. **All of the Language Grant** recipients noted **increases in the business' use of Welsh** whilst 9 out of 13 of the Business Grant recorded doing so.

The interviews provided additional data, though representing only a sample of the businesses supported by the grants. Around **64%** of the businesses noted that the Grant **had not had a significant impact** upon the use of Welsh within the business internally or informally. However, they operated primarily through the Welsh language prior to receiving the support or were sole traders to whom the internal and informal use of the Welsh language was not relevant. Around **24%** of the businesses interviewed did note that, internally and informally, **the use of Welsh had increased** due, in part at least, to the support received. Most commonly, **this resulted from the recruitment of Welsh speakers**. It suggests that increasing the number of Welsh speakers within small and micro businesses may have an impact on the wider workforce, at least on a casual or informal level.

'It has grown a little bit, as we have two Welsh speakers and a Welsh learner now and we have sort of short, informal conversations in Welsh.' (Business Interview, 2021)

A small minority of businesses (2) noted that they had developed their booking software to account for both languages, necessitating Welsh language skills from the staff in turn. These, though rare, could be seen as examples of **internal but formal processes** that had been developed as a result of the grant, and particularly in the view of the businesses, as a result of their engagement with the Helo Blod service (see below).

Around **22%** of the businesses noted that they had **started or increased the degree to which they engaged with clients bilingually or in Welsh**. The majority of these tended to be businesses in **Ceredigion**, although it is unclear why this would be the case. This, interviewees frequently suggested, was due to an increase in the Welsh content of their marketing or social media output.

Consequently, clients and customers were choosing to engage with the business in Welsh. **46%** of the responses suggested that they **already engaged with clients or customers bilingually**. The rest felt that they did not have the capacity to do so or were not sure. There is evidence to suggest, therefore, that increasing the amount of visible Welsh encourages engagement in Welsh, and consequently for businesses to respond in Welsh, if capacity exists.

'We are getting an increasing number of requests, communications and phone calls from customers in Welsh because of the increased Welsh content on social media and the website.' (Business Interview, 2021)

'We are being contacted by customers via social media in Welsh a lot more and we are also having more phone enquiries from customers in Welsh.' (Business Interview, 2021)

'More conversations in Welsh as customers realise that we have Welsh speaking staff.' (Business Interview, 2021)

Around **36%** of the businesses interviewed noted that their formal dealings with clients and customers were **bilingual before the Grant**. However, around **26%** of the responses noted that **more formal aspects of the business' dealings with clients and customers** was, as a result of the support, **through the medium of Welsh**. The rest of the responses suggested that their formal processes such as invoicing and ordering were not available bilingually, or that they could not provide detail during the interview. It again suggests that there may be a link between increasing the visibility of Welsh and businesses adapting and meeting the demand to engage in Welsh.

'The majority of our website and social media is bilingual now, and I hope to have everything bilingual by the summer of 2021. The e-mail and order forms are now bilingual as well.' [Author's translation] (Business Interview, 2021)

Businesses were also asked to reflect on the visibility of the Welsh language within and by their businesses. Around **31%** suggested that all their marketing and social media or other **visible aspects of the business were already bilingual** or through the medium of Welsh. However, **66%** of responses noted that they had **increased their visible Welsh language content and output as a result of the grant**. Some have developed their existing output whilst others have started from nothing. The scale could be small in some instances, such as changing names, whilst other companies have committed to bilingual social media presences and marketing.

'The Website, social media and adverts were already at least partly bilingual before Arfor but because of Arfor we have increased the amount of Welsh in all of our communications.' (Business Interview, 2021)

'Bilingual labelling and I've started preparing digital marketing and posting social media posts that are bilingual.' [Author's Translation] (Business Interview, 2021)

More broadly, management staff in particular suggested that **the Grants had generated more substantive engagement with the Welsh language** as a topic for development within the business. These comments were echoed by the businesses themselves when interviewed, who noted the value of engaging with these services and that they would not have considered accessing these services were they not required to do so by the grant. The grant application process **required businesses to outline their plans** for the development of Welsh language services. Often, such as in the case of **Ceredigion's** two grants, the applications scoring gave substantial weighting to this aspect (around 25% of all marks were available for their plans in relation to the Welsh language). Moreover, the grants required (and in **Ceredigion's** case also monitored) engagement with the Helo Blod service as part of the conditions. For many businesses, this began **the process of engaging substantively with the issue**.

Ynys Môn Language Grant

The Language Grant differed in some respects as it only concerned itself with developing the language services and capacity of the businesses. The grant has enabled some businesses to **circumvent some of the barriers to wider support services**, specifically in relation to funding Welsh language lessons for staff. While this support is available from other sources, smaller businesses in particular face barriers to accessing Welsh language lessons. Management staff for example, in drawing attention to the strength of this grant, noted that to be eligible for Business Wales support for Welsh lessons, groups of seven or more staff members were needed. Moreover, these staff members are required to be at the same ability level, and the classroom-based courses provided necessitated time away from the business and, therefore, was a cost to the business. The language grant, however, **enabled businesses to access more bespoke or relevant Welsh language lessons** which, at least in part due to the coronavirus pandemic, were undertaken online and at more convenient times for the staff members.

'Certainly there are examples where people have used the language grant to take Welsh language lessons. So informally, and internally, the fund has had an impact on capacity. There was a [redacted] company, they made an application for her and her staff to attend a formal Welsh language learning programme, but they weren't eligible because you need seven staff members on the same language level. I think it's only a Local Authority that would have seven staff members on like that, on exactly the same level. Also, you can't take Welsh lessons if you have to close the door to the shop. So the courses are now virtual and more accessible.' [Author's Translation] (Management Interview, 2021).

Some Grants however, notably **Ceredigion's** two grants, prohibited its use for Welsh language lessons. This, staff suggested, was due to a concern that doing so would duplicate the wider support available within the county.

'We were clear that this wouldn't be used for Welsh lessons. There's plenty of that available in the county, and for free. I feel strongly about that. How would you monitor it anyway?' [Author's Translation] (Business Interview, 2021)

2.2.5 Further and Common Findings

Across all business grants, businesses, management staff and stakeholders drew common conclusions that were not exclusive to any one specific grant. From the outset for example, management staff recognised that **there was a demand for financial support for businesses to develop. Small and micro businesses** were thought to be in particular need due to the challenges or cost of securing alternative sources of finance and investment such as bank loans. The flexibility of the grant was a further aspect thought to be of particular appeal to smaller and micro businesses. This perception was only supported by anecdotal evidence, but nonetheless offers a possible explanation to the attractiveness of the direct business grants. It also suggests, as a few stakeholders and businesses had explicitly noted, that access to capital and **sources of support for micro businesses looking to develop are limited.**

'No, I don't know of any sources of funding for local businesses, or money to promote Welsh language or its use. It was a shock for me to see the difficult conditions that some businesses have been facing. As I understand it, any government funding for businesses in 2020 or 2021, such as Business Wales has gone towards supporting businesses through the pandemic.' [Author's Translation] (Stakeholder Interview, 2021)

Of the businesses interviewed, many noted that **they would not have progressed with their development plans were it not for the grants** received.

Two of the local authorities found that the **coronavirus pandemic had impacted the extent to which businesses were looking to develop.** Stakeholders and management personnel were of the view that these businesses had **become overly concerned with survival rather than development.** However, management staff reported a **renewed interest** in the business grants and a desire from owners to develop their businesses as lockdown measures were eased **in the latter half of 2020.**

In terms of things that I'd change, the really obvious thing would be that, as with any grant scheme, you have businesses who will do anything just to get the money. What we did was introduced a process that you had to go for a language grant and then move on to the business grant, so that link is there with Helo Blod. Some went straight to the business grant because they promised to do something with the language, but the danger there is that it doesn't work as well, and they don't produce anything in terms of the language.' [Author's Translation] (Management Interview, 2021)

Direct Business Grants - Conclusions

In conclusion, the grants appear to have had an impact on almost all recipients. The data suggests, although only projected figures were available, that in total 282.5 FTE jobs have been safeguarded whilst 238 full time and 89 part time jobs will be created as a result of the support. Overall, this equates to **one FTE job safeguarded for every £6,917.05 and one FTE job created every £5,288.79 spent**. However, these figures are estimates, and further monitoring is required to validate the impact of the grant.

Data nonetheless suggests that the Grants have supported many businesses to **develop new products and services** that have or are predicted to **increase turnover in the future**. Moreover, the Grants have led to a substantive effort to develop and increase the Welsh language provision and capacity of the businesses. Businesses and management staff felt that these developments would not have been possible without the grant, as the wider sources of funding for the specific and bespoke developments that businesses were hoping to make were too difficult to access.

The business impact is straightforward. The investment has enabled the businesses to **employ more people, to expand services, develop new products or more efficient ways of working** and trading. For **start-ups**, the impact is thought to have been **instrumental in enabling, particularly younger business owners, to access funding and investment**.

Meanwhile, the application process has **embedded language provision and development within businesses**, specifically the requirement to present and score well on a commitment to the Welsh language and its development within and by the business. By embedding language development within business planning, the grants have ensured **more substantive engagement with the agenda**, as well as **with wider government support services** such as Helo Blod.

It was widely felt that the **coronavirus pandemic had impacted** the businesses in delivering their plans and, more reportedly, had **restricted the ability to evidence** any particular impact that had resulted from the grant and the associated service or product developments. It was felt by both management and businesses, that the impact could **only be evidenced in the longer term**. Businesses were nonetheless **optimistic about the impact of the new products and services upon their turnover**.

Management staff, meanwhile, had noted wider benefits to the community, suggesting that the businesses themselves were living **examples and case studies of local residents succeeding without having to leave the area**. Key businesses had been recognised alongside the **value of the Welsh language in business**. This was thought to have a wider impact on the perceptions of individuals considering careers in the area or moving away. Staff also felt that the programme supported businesses, particularly small businesses, in ways that other grants could not. In turn, this support may assist these businesses in tapping into a desire to buy local, where the language and local character of the business was a key strength.

2.3 Llwyddo'n Lleol

Background and design

Llwyddo'n Lleol Was a bespoke programme developed and managed by Menter Môn⁶ to support and mentor young people as they developed their businesses. Young people on the scheme would attend weekly workshops and receive group support from specialist business advisors. The programme was designed to last 11 weeks, during which the young people were also tasked with documenting their experiences over social media in a series of challenges. Beneficiaries also received a £1,000 bursary. There is no specification as to where this money should be spent, and some beneficiaries reported using the bursary to supplement their income while others invested in equipment for the business.

The programme had been in development for some years, with management staff both within the local authorities and at Menter Môn noting that there been a desire to trial the approach for some time. Arfor offered an ideal opportunity to trial the scheme.

'I think Llwyddo'n Lleol has been around for some time as an idea. There's always some talk that it would be great to try and use this to convince or attract young people to stay here. There have been a couple of similar ideas in the past. But what changed also was that we felt, with COVID, there was a need to change things. Certainly the programme [Arfor] has given us a chance to trial Llwyddo'n Lleol.' [Author's Translation] (Management Interview, 2021)

'I'm not sure we would have been able to run this scheme this year without the Arfor money. It wasn't in the pipeline. Arfor gave us the initiative and it was only the Arfor money that ran this until we started using a little bit of LEADER funding. Without Arfor, we wouldn't have been able to be so flexible and it's important to emphasise that flexibility [as a strength].' [Author's Translation] (Management Interview, 2021)

There were two core aims to this programme. Firstly, the direct support to a group of young people who were in the process of establishing their businesses within the Gwynedd or Ynys Môn area. The programme was designed to equip young people with hard and soft skills to establish their businesses. Secondly, by requiring the young people to document their experiences and share their stories with their peers through social media, the programme sought to highlight alternatives to the perceived discourse, common in Welsh rural areas, that young people had to leave a Local Authority in order to succeed in business.

'A lot of young people don't think there's anything cool about this area, and the cities and the more populated areas attract a lot more young people. We were hoping to change that a bit and show that the language and working in this area can offer a lot more to young people. Because maybe these young people have ideas that are life changing for themselves and their communities.' [Author's Translation] (Management Interview, 2021)

⁶ An explanatory note on Menter Môn's role as both delivery and management partner is included in the introduction section [here](#).

Previous iterations of this scheme envisaged young people being placed within businesses, to be mentored and trained on the job. However, due to the coronavirus pandemic, the decision was taken to approach the cohort as one group, and to support them as they developed their business plans. This **was thought to have worked well, and in hindsight, was a better design than that which was originally envisaged.**

The scheme was also designed to complement the Ffiws scheme run in the same locality, with those enrolled on Llwyddo'n Lleol encouraged to make use of the Ffiws equipment and technicians to develop prototypes and test products. Beneficiaries were also eligible, and many did receive support from the Arloesi Gwynedd Wledig's 'Amser i Fentro' pilot scheme.⁷ This scheme was designed to support the individuals after the Llwyddo'n Lleol scheme. Amser i Fentro provided financial support to allow individuals to take time out of their work or education to further develop their businesses.

Delivery

Two rounds of Llwyddo'n Lleol were delivered, the first in 2020 to **14 beneficiaries**, and the second in 2021 to **eight beneficiaries**. In both instances, the scheme was delivered through the medium of Welsh. Welsh speaking business advisors were invited to hold weekly workshops with the beneficiaries. **The criteria for the second cohort was narrowed to seek to attract University students who had remained home due to lockdown regulations.**

As the scheme sought to showcase young people starting businesses in the area as well as providing direct support to individuals, the application and selection process involved consideration of the individuals' ability or potential to be a spokesperson or role model. Management staff spoke of the need to get to know the applicants as well as considering their formal applications.

The beneficiaries who were interviewed all suggested that the application process was straightforward. Most from the first cohort became aware of the programme through social media and posts by the scheme manager. While some raised concerns in relation to regular payment schedules, most were generally satisfied with the management of the scheme.

Impact

All beneficiaries completed the scheme. Early indication shows that out of the 22 young people who participated, 14 have either started their businesses or are about to start and seven others were still developing their plans and ideas. The beneficiaries themselves noted that the cohort was still in touch regularly through WhatsApp groups, **sharing ideas, good practice and promoting each other's businesses.**

⁷ 'Amser i Fentro' already existed, supported through the Arolesi Gwynedd Wledig programme. Llwyddo'n Lleol wasn't designed to complement or align with 'Amser i Fentro', but in hindsight, management personnel came to appreciate the alignment and the value of a range of grants that could combine to support businesses. The ability to support the follow-on, and importantly, to give time for Llwyddo'n Lleol applicants to invest in developing and effectively launching their business idea (developed through Llwyddo'n Lleol), was an effective model that may, in the view of management staff, have ensured that more businesses were ultimately started.

All beneficiaries interviewed felt that they had **developed their business management skills and knowledge**. The beneficiaries noted that the scheme had provided them with access to experts in a range of fields, from marketing and branding to financial management, customer relations and legal aspects.

The beneficiaries interviewed were also particularly positive in relation to their experiences and the impact that the scheme had upon themselves personally, and their businesses. On a personal level, beneficiaries frequently spoke of **developing their soft skills**, particularly their **confidence** in relation to **online and social media-based marketing**. While increasing skills and knowledge would be expected to lead to an increase in confidence, the beneficiaries noted that the **weekly challenges did more to develop their confidence and willingness to engage with clients over social media**.

'I've been really lucky to gain so much confidence through the scheme... I would never have put videos of myself up on social [promoting my business] were it not for this. A lot of clients have heard about me through the videos.' [Author's Translation] (Beneficiary Interview, 2021)

'Skills definitely. Communication and presentation skills, I don't think I'd have been able to give presentations without this. But also doing the accounts and the paperwork, double practical side of things. Confidence as well. I don't treat this as a hobby anymore it's a business now. I'm rebranding and I'm putting more focus on the design. I've got the confidence to do that now.' [Author's Translation] (Beneficiary Interview, 2021)

The beneficiaries interviewed also felt that the scheme had a particularly **positive impact on their businesses**. All noted that through the challenges, they had been through the process of **developing their businesses, products and services** but also had communicated with **new clients and increased the awareness of their businesses**. Beneficiaries also noted that the skills and knowledge that they had develop through the weekly sessions also served them well during the initial and foundational stages of establishing their businesses.

Beneficiaries drew particular attention to the **growth in clients, diversification of their services and products, better marketing and branding** and consequently **increased turnover** that had resulted from the changes implemented.

'I've expanded the business and the turnover. After relying on craft fairs and making £40 here but paying £10 for the stall, now I'm making about £300 month because of all the new services that I'm offering and the marketing.' [Author's Translation] (Beneficiary Interview, 2021)

The beneficiaries interviewed were all first language Welsh speakers and noted that **they had always intended to remain and live in the area**. One noted that she had to travel outside of the area for her job, but that the progress she was making with her own business had enabled her to leave the job and find a part time job closer to home to be able to focus more on her own business.

The beneficiaries reported having a **wide audience to the blog posts and social media posts** documenting their progress, **particularly from their peers and other young people**. Beneficiaries felt that although they had always intended to remain in the area, other young people were taking note of the possibilities that the programme was exhibiting, i.e. that **it was possible to remain in the area and start a business**.

'As part of this but also through the Cymorth i Fentro [scheme], we were asked to try and inspire young people and convince them it was possible to start a business, so I've been giving a food presentations in youth clubs, virtually of course. Virtual chats really, and two... It's just opened their eyes to the to the opportunities out there... And the response was really good in the youth clubs... There was a good response as well to the fact that I was running this business through the Welsh language. I think they were surprised that I could run the business in Welsh and didn't have to do everything through English first but could still reach people and make it work.' [Author's Translation] (Management Interview, 2021)

Everyone interviewed noted that the **support had been instrumental in the development of their businesses**. All felt they would **not have made such progress**, and certainly not as quickly **without the skills and knowledge that they did acquire through the scheme**, but also through the challenges and the work that they were required to do.

The scheme appears to have **added value to and benefited from other schemes** that were being funded as part of the Arfor programme. For example, management staff noted that beneficiaries were able to make use of the Ffiws workspaces and equipment to develop prototypes and product ideas. Beneficiaries also noted that they had been encouraged to and had successfully applied for support through Arloesi Gwynedd Wledig's LEADER scheme, 'Amser i Fentro'. This scheme effectively paid for the individuals to spend a further one day per week working on the development of their businesses and had enabled beneficiaries to continue developing their businesses without the risk of leaving their employment and losing their main source of income.

'I've also had support from Amser i Fentro [sic]. So I've had more time and I effectively get paid to work on the business for one day a week. That's just increased my capacity but also my confidence to go along with this as well as the financial support of course. It keeps the momentum going, the momentum that you get from Llwyddo'n Lleol continue because of this.' [Author's Translation] (Beneficiary Interview, 2021)

As with other schemes within the Arfor programme, businesses and beneficiaries would be directed to wider support services available, in turn helping to promote and encourage engagement with the wider support offered by the Welsh Government. Beneficiaries noted having been directed to and encouraged to engage with the Helo Blod service for example. The young people suggested **they would not have done so otherwise** and that they were now making regular use of the service. One noted that she was not particularly confident in her Welsh language writing skills, but that the service had given her the confidence to offer all her paperwork through the medium of Welsh to her clients.

'Maybe they'd have done that [produce materials bilingually] anyway, but through Llwyddo'n Lleol, they have to get that support from Helo Blod. We educate them about the value of the language and including it in their business. Some have been in two minds about a bilingual website, but after the support they realised the value of it, and they do it.' [Author's Translation] (Management Interview, 2021)

Conclusions

The Llwyddo'n Lleol scheme is relatively unique in that it not only seeks to support individuals to develop and established their businesses, but also aims to use those individuals as role models, promoting the idea that young people can stay, live and start their own businesses within the Arfor area. The scheme seeks to address one of the core challenges of the area, namely the young people migrating to other parts of the UK.

The data available on the programme and its impact is limited and largely subjective in its nature. Nonetheless, both management staff and beneficiaries suggest that it is having the impact that it was designed to have. Firstly, the **individuals and businesses being supported** all report having **benefited greatly from the scheme**. Individuals are **developing the skills, knowledge and the confidence** that enable them to develop and establish their businesses locally. The businesses themselves exhibit more objective signs of success such as an **expanding client base** and **increased turnover** since the support.

Although less conclusive, and likely only observable in the longer term, beneficiaries and management staff feel that by documenting their journeys, the cohorts have **raised the profile of young people starting and running their own businesses** among their peers and young people generally. The promotional work undertaken through the Bwrlwm ARFOR scheme would later complement these efforts by showcasing case studies. Beneficiaries suggested that they were having an impact upon young people although there is no data that enables an examination of this impact.

Nonetheless, the scheme has helped create and present an alternative discourse to that which suggests that young people must leave the area in order to find work. The 22 individuals who have benefited from this scheme have presented their own stories of staying in the local area and successfully establishing a business either as a full-time job or as a means of supplementing their income.

Integration with wider schemes have also added value to Llwyddo'n Lleol. The Ffiws, Llwyddo'n Lleol and Amser i Fentro schemes combine to give young people and business start-ups a considerable advantage during the period of establishment. The other two schemes enable beneficiaries of this scheme to access specialist equipment, develop prototypes and ideas and also to maintain a degree of momentum as they establish and develop their business without the risk of losing their established income stream.

2.4 Ffiws/Gofod Creu

Gofod Creu was a scheme funded through the Arfor programme by Gwynedd Council. The concept mirrors international examples, where collaborative workspaces are established for making, learning and exploring using specialist equipment. The scheme offered opportunities for businesses to explore the use of specialist equipment, ultimately to support and encourage growth and innovation. Two spaces in Gwynedd, branded as 'Ffiws', were developed through a partnership between Menter Môn and MSparc. Though not a core aim, this also presented an opportunity for council staff to make alternative use of high street premises.

The first space was located on Porthmadog's High Street, offering access and support to use a 3D printer, laser cutter, heat press, mug press, vinyl cutter and other specialist equipment. The technicians offered support to any individuals to use the equipment to develop products and prototypes, as well as offering workshops and training sessions. A second space was planned for Nefyn Business Park, but due to the coronavirus pandemic, was not progressed.

No monitoring data is available for the spaces and their use, though management staff are aware of at least 9 businesses that have started following their engagement with the spaces.⁸ Staff noted in interviews that the interest was initially high, both in using the equipment and in the workshops and training offered. The spaces were frequently used by the general public, local businesses and start-ups, including Llwyddo'n Lleol participants. There are also instances of individuals who have successfully sought funding from the Cymorth i Fentro scheme to further develop their products and business following an initial engagement with Ffiws.

'[Name redacted] came to Ffiws to learn more about the CNC machine and to find out if it was possible to use it to make a beehive. After a chat with [name redacted] the technician... he was confident a CNC machine would help his business by allowing him to make more beehives in less time. He is now in the process of looking to buy a CNC machine for the business... has made an application to Arfor's Support for Enterprise fund and has been successful in the first round. He has also been successful in securing a business unit in Harlech where the production work will happen. He said Ffiws helped him light the spark and was very grateful to Ffiws for giving him the opportunity to try the high-tech equipment available there.' (Ffiws Case Study, 2021)

Ffiws plays a supporting role, **adding value to wider business support services** as well as serving the community. It was effectively integrated with wider Arfor schemes, and the space will be funded for an additional year through the LEADER scheme. Staff also noted the importance of being able to access specialist equipment and expertise locally, if people are to establish businesses, work and live locally.

⁸ There is no direct, causal link that can be evidenced. But the spaces are being used by individuals who later go on to start businesses.

'Ffiws doesn't solve any challenge, but it helps businesses who come to us with ideas for a product that needs developing. It helped those who were with Llwyddo'n Lleol, and because of that we're looking at creating creative spaces for artists. It's about the local economy and a cyclical economy, if we want people to live and to work within 20 minutes [of their home], well Llwyddo'n Lleol has proved that that's possible especially when there are things like Ffiws to support them.' [Author's Translation] (Management Interview, 2021)

2.5 Cymunedau Mentrus

The Cymunedau Mentrus scheme sought to support pilot programmes led by the local community that support and develop the foundational economy alongside local supply chains, local employment and increasing the amount of money brought into and retained within communities. Applicants were to demonstrate commitment and benefit to the local community. The scheme was designed to work with three projects, and social businesses were identified as a means by which the aims could be achieved, but also due to the management staff's wider strategic interest in expanding their engagement with such organisations. Alongside supporting the three projects and communities, it was hoped that the work would generate insight into how to create employment locally.

Ultimately, the scheme engaged with three social enterprises, all located in Gwynedd. Menter y Plu is a social enterprise started by buying and operating a pub in Llanystumdwy. Pum Plwy Penllyn operates in the Bala area, letting and renting meeting rooms and offices. Partneriaeth Ogwen, meanwhile, provides clerking services for the local Community Councils; develop community, economic and environmental regeneration projects; manage properties and develop community asset transfer projects; and support projects that create a healthy, vibrant and sustainable community.

Originally, development officers were expected to be employed directly through the grant. These officers would then expand the reach and activity of the organisation. In all three instances however, **due to the impact of the pandemic, plans were reviewed and changed.** Ultimately, the organisations sought to develop either their digital or physical infrastructure. As a result of these changes, two of the social enterprises undertook physical improvements to their assets while a third used the grant funding to improve and develop a website and to employ a project development and marketing officer.

Application and design

Employees of the three enterprises were interviewed. These suggested that personal contact and relationships with management and delivery staff helped them to source information about the grant and through the application process itself. A few noted that the application process was challenging, mainly due to the amount of information that had to be provided and the tight time scales involved.

Delivery

The coronavirus pandemic has impacted all three enterprises and the extent to which they can evidence any impact to date. The two enterprises that undertook physical improvements were aware that the office accommodation that had been developed and renovated with the grant funding would not be operational or be able to draw revenue until lockdown and social distancing measures had been relaxed.

Once the grants were approved, however, management staff noted that the enterprises themselves were experienced and skilled enough to manage the projects themselves. The enterprises were familiar with the requirements of public funding, and the need to monitor activity and demonstrate impact, and were able to report back to the management staff effectively.

'As for Cymunedau Mentrus, it's themselves. That's probably because of the type of communities they are and the enterprises that they are. The impact of Cymunedau Mentrus has been wider within the community. The results have been fantastic but again maybe that's because of who we've been working with.'
[Author's Translation] (Management Interview, 2021)

Impact

The two enterprises that developed their stock and buildings nonetheless **felt confident** that the developments **would lead to both to an increase in revenue and ultimately to the creation of new jobs**. The third enterprise, which had developed an online presence and shop, **could already identify and quantify new sources of income** and were confident that they had, as a result of the grant, **expanded their customer base**.

'We've just got new services that have been created and we've increased from 6 to 13 businesses using the centre [and using the new offices].'
[Author's Translation] (Cymunedau Mentrus Interview, 2021)

Management staff noted that the organisations also helped in delivering support to communities during the pandemic. This, management staff felt, was a reflection of their organisations' ethos and commitment to their communities. Indeed, both management and the enterprise staff felt that the social enterprises were very suitable candidates to receive support from the programme. These interviewees suggested that social enterprises were likely to be embedded in their local economies and communities and offer more direct benefit to the local residents with profits kept and spent locally. These individuals also felt that the social enterprises were a means of multiplying and magnifying the investment of the programme, and that through the employment of one development officer for example, the social enterprises could expand the level of support.

The developments have not led directly to an increase in the use of the Welsh language within the business or in its communication with clients other than marketing materials and the website. The enterprises all noted however, that they operated entirely through the medium of Welsh before the grant.

Its language impact has been through the employment that has been generated as a result of the improvements alongside the wider services available in Welsh. Local tradespeople were also employed to make physical improvements and any jobs created are advertised among local residents, with the ability to speak Welsh highly desirable or essential.

The LA continues to work closely with the three social enterprises in question. These social enterprises have 'spin-off' businesses, more as a result of the grant, that employ local residents and ensure that the money spent on these products and services is kept and spent locally. The experiences and knowledge of the enterprise staff will support the local authorities' wider efforts to generate an understanding of the foundational economy and its impact and value to local communities.

Conclusions

The direct impact of the scheme is somewhat limited and difficult to evidence at this stage. The businesses themselves were **confident of a positive impact upon their** businesses, leading to **more clients and customers, diversification of services and products**, and a **higher turnover**. This would lead to the businesses being able to **employ more people locally, with an emphasis on Welsh language skills**. Only further monitoring and evaluation can corroborate and validate these anticipated impacts.

However, more broadly, the scheme has revealed, and indeed expanded the capacity of **several key organisations within the communities in question, which are aligned with identical goals to the Arfor programme; to create employment that has a beneficial impact upon the Welsh language**. Specifically, they seek to ensure that businesses recycle and keep money within local communities whilst offering employment opportunities for Welsh speakers. **This suggests that a wider pool of social capital exists within the communities that can assist in the pursuit of Arfor's broader aims.**

2.6 Bwrlwm Arfor

Initially, all four counties were keen to see how each county could further develop the welcome packs that had been created some time ago, guiding people who were new into the area on where to go for Welsh services. It was decided to look at a new idea of promoting businesses who used the Welsh Language as an integral part of their business and show the benefits this had for them, their staff and their communities. Bwrlwm ARFOR was created as a platform for case studies; podcasts; videos; workshops on using the Welsh Language in Business www.bwrlwmarfor.cymru. Examples of Bwrlwm Arfor's content are included in the Executive Summary.

3 Process Evaluation

3.1 Project rationale

There was **widespread agreement with the rationale** of the programme, and that creating more, and better jobs was a means by which economic intervention could support the language. Indeed, the majority of the schemes developed and delivered as part of Arfor were aimed at supporting small and micro businesses to create more jobs. Management, stakeholders and businesses personnel interviewed agreed that the direct business grants in particular were a means of directly supporting businesses and of indirectly creating opportunities for Welsh speakers to work and live in the area.

However, a few, particularly management staff and stakeholders, noted that the focus upon creating jobs could only, and probably **should only be a component of a wider approach**. This wider approach should include improving the range of determinants of the **quality of life** of living within rural areas, as well as **addressing the negative narrative concerning living and working locally**. Management staff noted that the process of developing and delivering the programme had informed their understanding and perceptions in this regard.

Management staff and stakeholders noted that this had been **a successful pilot**, that many key lessons had been learned, and that some of the successes could and should be rolled out or mainstreamed across for local authorities. Many also noted that the **rationale of piloting and trialling new approaches**, funding innovation and encouraging businesses to come forward with new ideas, **was still valid**. There was a widespread belief that there was **still a justification to continue with an Arfor-like programme into the future**, i.e. the problem at the heart of the programme still existed and those same solutions had been identified, although all four local authorities were still a long way from resolving their challenges in relation to the economy in the Welsh language.

Management staff and stakeholders suggested that the programme had **succeeded in identifying ways to both create jobs and to support the Welsh language**, but the programme was also thought to have succeeded in trailing and developing **proof of concept** for less direct but arguably **more effective ways of combating the negative narrative around living, working** and not leaving the area. Management staff and stakeholders drew particular attention to the Llwyddo'n Lleol programme and the way in which it had encouraged young people to lead and own a campaign **stressing the benefits of staying in the area and starting businesses locally**.⁹ This in turn, almost organically it was felt, **had a positive impact on both the resilience of the local community and the Welsh language**.

⁹ Other ideas were proposed at the design stage that were not delivered. These ideas suggest that the programme management and design staff were looking to develop more innovative approaches that did indeed seek to address the problem in a more nuanced fashion. One of these ideas included the Academi Byw a Bod, which would have employed 20 students over a period of 10 weeks, although those 50 working days could be spread over a longer time period, i.e. 2 days per week for 25 weeks. The programme would have targeted young people between 15 and 29 years old who also fell into a group that, on average, were more likely to leave the area. The students would be tasked with raising the profile of employment opportunities in the area, particularly for Welsh speakers among their peers. This programme bears some resemblance to the Llwyddo'n Lleol scheme but was explicitly focused on the promotion of job opportunities.

Promoting the idea of or supporting former residents to return to the area was not an explicit objective for any of the schemes. However, management staff noted that such efforts would be in keeping with the rationale of the programme and a form of economic intervention that would almost certainly have a positive impact upon the Welsh language. Though none of the schemes sought to encourage people to return to the Arfor area, management, stakeholders and delivery partners were **already developing ideas and schemes that would do so**.

'To be honest, I'm not sure that anybody's come back because that was never how we pitched it. If we'd said, 'come back to Gwynedd, we'll give you a grant', it wouldn't have worked. There's a lot more that somebody goes through before they up sticks and come back. But Msparc's campaign, 'dowch yn ôl' [come back] is interesting. If we had some form of Arfor 2, we'd make much more of that campaign, and we look more at the agenda I'm trying to create projects around that. That's very interesting, and we should have made more of that.' [Author's Translation] (Management Interview, 2021)

Some stakeholders held a different understanding of Arfor's rationale, however. These stakeholders suggested that Arfor should essentially develop into an economic region in time, with development being managed by a body that sat across all four local authorities. These stakeholders also felt that Arfor should be looking at developing transport and digital infrastructure or intervention within local labour markets and developing the economic cohesion of the region. **This is not such a programme**. This programme was designed to be **small in its scale**, targeting relatively **small amounts of money** at **specific businesses**. This is a **pilot programme** that explores **what can work at an individual, business level** and, if possible, what could be mainstreamed across all four local authorities.

Better Jobs?

Stakeholders and management staff have developed the thinking around the nature of the problem facing the four local authorities as well as the most suitable solutions and approaches. A central question is whether the creation of more and better jobs is suitable as the sole objective. Although management staff and stakeholders frequently agreed that the creation of more jobs was a suitable target and aim, **scepticism is expressed** in relation to **whether this should be the only objective**, but also in relation to **what a "better" job was** and how it could be measured.

The programme had stimulated critical investigation of the concept of a "good job" in relation to the aims of the programme, the economic prosperity, and the linguistic vitality of the area. These discussions could help further refine the specific aims, the explicit targets and the impact of any future efforts that seek to develop both the economy and linguistic vitality.

'Creating more and better jobs is hard to define. "Better" for the individual could simply mean that they can stay within their square mile to live and work. Maybe it's about higher wages. A better job by now, since COVID, might mean that you have a better quality of life. So, in terms of better jobs, I'm not sure I'd use that as an objective again. Some businesses have developed or have had extensions that will help things. But the other thing is the "feel good" factor in these schemes, it's so important on the High Street that we shout out bilingually. Things like that were a quick win for the programme, pretty up signs work, and it creates a warm feeling within a town. Maybe it doesn't create jobs, but it certainly contributes to the place.' [Author's Translation] (Management Interview, 2021)

Younger People

Interestingly, the data generated by this evaluation does not offer much insight into what type of job would constitute a "better" job, which would consequently convince young people to remain in the area. The young people who have been employed as a result of or in relation to some of the schemes have found jobs in a range of sectors involving a variety of responsibilities. However, the popularity of start-up grants with younger people may suggest that **a lack of access to finance is a barrier to younger people starting businesses in the area.**

As noted, the Llwyddo'n Lleol scheme has sought also to engage with the narrative concerning young people and the need to leave the area to find suitable employment. However, only limited data and information is available at this stage in relation to its impact. The data that is available does suggest that those who participated directly in the scheme had all remained in the area, and 21 of the 22 were continuing to develop their businesses either as a primary source of employment or as a means of supplementing their income. **In this direct sense, the programme has been successful.** However, it is more difficult to gauge the impact that the wider blocking and social media activities of these individuals had upon their peers. It would be ambitious to expect a significant impact upon outmigration data for both local authorities (Ynys Môn and Gwynedd). Nonetheless, management staff who aim to continue to monitor the impact of these schemes may wish to draw upon the future of these individuals that took part in the scheme in relation to the impact upon their peers.

Overlap with or adding value to other support

Most of the direct grants to businesses encouraged or even necessitated engagement with wider services such as Business Wales's Helo Blod service. Stakeholders and management staff in interviews and the workshop discussed the extent to which this constituted a duplication of the work of wider support services. Some stakeholders and staff suggested, for example, that the grants promoted service and recruited businesses, in turn **duplicating some of the work that they felt the Helo Blod service should be doing.** Others noted, however, that the more general support and advice provided to businesses as they develop their applications and delivered what was being funded **overlapped to some extent with the work of the Welsh language commissioner's** business support team, Hybu. This was particularly relevant to those businesses that went through the process being managed by Menter Môn, who could draw on their wider experience and network to support businesses in this regard.

To some extent, this suggests that **the programme could have been better integrated with the wider support services at the design stage**. However, this view should be tempered by the fact that the design stage was particularly short, and the lack of integration may likely be a consequence of the haste in which the programme was rolled out. Indeed, some management staff also noted that, in hindsight, the wider Welsh language support services for businesses would have benefited from being involved in the programme.

'If we were to restart, I would have brought the Welsh Language Commissioner in to help with the Welsh language side of it [the direct grants to businesses]. That's not what it's all about, it's about a lot more than that. But it is also about trying to raise awareness of what the Welsh language can offer to businesses. But as with everything, you never have enough time to plan and these projects aren't on a shelf ready to go so you have to go with what you have don't you.' [Author's Translation] (Management Interview, 2021)

'Maybe we could have done more of that. Promote Welsh lessons to businesses as part of the package. If we'd been able to sort some form of partnership with the Welsh language commissioner, it would have happened more naturally I think.' [Author's Translation] (Management Interview, 2021)

However, some stakeholders and management staff argued that the Business Grants had, in fact, **added value to the Helo Blod and the Welsh Language Commissioners business support service**. These contributors suggested that, firstly, the programme had ensured more, and more substantive engagement with these services. These comments were echoed by the businesses themselves when interviewed, who noted the value of engaging with these services and that they would not have considered accessing these services were they not required to do so by the grant. In **requiring businesses to outline their plans** for the development of Welsh language services as part of the grant application, for example, for many businesses this began **the process of engaging substantively with the issue**.

Management staff were also of the view that, because of the nature of the relationship with the businesses and the constant dialogue that was had, the **businesses saw the development of bilingual and Welsh language services more as a process rather than a one-off event**. Management staff felt that they could explain and convey the benefits of small-scale interventions and changes and also link them to the wider journey that a business could undertake. This, management staff felt, was different to the very specific and limited engagement with the Helo Blod service, for example. Ultimately, these management personnel and stakeholders felt that there was some **learning and good practise that could and should be shared with wider support services**.

3.2 Design

Gwynedd and Ynys Môn took a different approach to Ceredigion and Carmarthenshire. The latter focussed entirely upon the delivery of direct grants to businesses, whilst the northern counties sought to trial a wider range of schemes. Menter Môn are also effectively subcontracted to deliver some schemes such as Llwyddo'n Lleol and the administration of Language and Business Grants. The short period available to design programmes to operate across the four LAs, the differing economic priorities of the four authorities, the disruption caused by the pandemic and the desire to trial a range of schemes were frequently identified as the reasons for this variety in schemes. Management personnel noted that this had been a strength of the programme's design, but also expressed **regret that there had not been an opportunity to develop a scheme that operated throughout the area.**

Nonetheless, the Llwyddo'n Lleol scheme was recognised as a success and both Ceredigion and Carmarthenshire have consequently sought to identify means of financing its rollout within their areas in the future; a notable instance of **a successful pilot being rolled out on a wider and larger scale.**

'The only thing, despite running grant funds ourselves, I would've liked to have seen was more work across the four counties. But because of a lack of time, and the four counties focused on running their own schemes, and the pandemic has restricted so much. If we were to go on to something new [i.e. further work in this are], I'd like to do something together. But in Carmarthenshire, and in Ceredigion here, we're looking to run Llwyddo'n Lleol [through other funding streams.] [Author's Translation] (Management Interview, 2021)

The Llwyddo'n Lleol and Ffiws programmes existed at least as ideas before Arfor, though Menter Môn had experienced difficulties in sourcing funding for them. Consequently, Arfor provided **a platform any means by which existing ideas could be developed and trialled.** In this regard, the **relationship between the northern local authorities and Menter Môn was key**, and enabled Ynys Môn and Gwynedd to draw on wider expertise and thinking in the realm of economic and language support in a way the southern counties did not. Management staff felt that this had enabled the programme to offer more variety and a greater range of support in the North as well as trialling innovative ideas that could potentially do more than simply support individual businesses.

3.3 Delivery

Marketing and promotion

The programme management noted that there were no efforts to publicise Arfor as a single or homogenous programme. This was in part due to the variety of grants and programmes available across the four local authorities. This made the promotion of a consistent message particularly difficult and any efforts to draw attention to what may have been available in some local authorities may only have served to cause confusion in others. Moreover, management staff noted that the Arfor brand was still being developed while applications were being received for the grants. It was only near the end of the programme period that management staff felt they had a consistent brand with which to promote and market the programme. Staff noted that if a follow-up programme was approved and funded, **that brand was now established and somewhat recognised.**

The individual local authorities did seek to publicise the grants and support available, and staff felt that efforts were sufficient. Due to the coronavirus pandemic and the need to avoid conflicting messages or confusing the key public health messaging coming from the Local Authority, efforts at marketing and promoting the support were somewhat limited. Nonetheless, staff noted that the number of applications received was satisfactory as were the quality of those applications.

'It's an interesting one because I don't think we ever made the decision to go out and promote Arfor. Every Local Authority tried to raise awareness of their own individual projects because Arfor means different things to different people. If you promote it, it's hard to control people's expectations. If you promote it as a whole I mean, so the right thing was to promote it by Local Authority.' [Author's Translation] (Management Interview, 2021)

A few local authorities, most notably Carmarthenshire and Ceredigion, felt that the number of applications dwindled during 2020 and as the lockdown took effect. **Staff felt that businesses were closing, and that owners or directors were focusing on survival rather than development and innovation.** However, as restrictions started to be lifted near the autumn of 2020, more applications were forthcoming, including those concerning plans to develop businesses and new services and products. Staff working with the Ynys Môn or Gwynedd schemes were unexpectedly surprised at the number of businesses who were looking for support to develop. These management staff felt that promotion and marketing was never really a problem for the programme; there was a clear appetite.

Applications and beneficiaries

Some stakeholders and management staff suggested that the programme had attracted businesses that were primarily Welsh speaking, and businesses that were already committed to developing their Welsh language or bilingual services and products, regardless of support. The exceptions tended to be businesses that had an active interest in developing their Welsh language capacity and services.

These would commonly go on to argue that **Arfor should ideally be targeting businesses and individuals that have not developed their Welsh language services**, or who are not as advanced in their thinking in relation to the language development business.

Management staff expressed some regret that the programme **had not succeeded in engaging businesses that had not previously considered developing the Welsh language services and products**. Several staff members noted, however, that engaging these would have necessitated an extensive engagement plan. Moreover, a few noted that promoting the benefits of the Welsh language to businesses was **not the aim of the programme**.

'About 90% of the businesses that we've supported are Welsh language businesses anyway. There are a few who are not Welsh language, but even they see the benefits [of developing which language services and products]. Should we have targeted non-Welsh language businesses so that we could have more influence? We supported [business name redacted], and there's a big discussion about the status of the company. But maybe its businesses like that that you need to target if you're going to have an influence.' [Author's Translation] (Management Interview, 2021)

Staff also noted that there was a logic to supporting such businesses. These were the businesses that had been proactive in developing their Welsh language services and products, in many cases over several years. Management staff felt that there was a logic to supporting and rewarding these businesses and **recognising them as leaders or beacons in the field**. Staff also felt that the support would give recognition and **value to the use of the language in business**.

Importantly, the impact that this scheme has had upon businesses and individuals must be understood in this context. **This programme has primarily sought to benefit businesses that can be considered "allies" to the broader goal of expanding the use of the Welsh language within business**. It has not sought to evangelise in relation to the benefits of using the Welsh language. It has only sought to reward those that do or wish to develop their capacity and offer.

Furthermore, and a possible explanation for the nature of the applicants and beneficiaries, it was common for businesses to note that they had learned of the programme through personal contacts and word of mouth and social media. The management staff were themselves advocates for the programme, sharing as widely as possible on social media.

Looking to the future, and any extension of the programme therefore, careful consideration should be made of the marketing and branding of Arfor. There is a risk that as a grant aimed ultimately at benefiting the Welsh language is seen as being irrelevant to businesses with limited or no Welsh language services or product. Seeking to promote the benefits of using the Welsh language within business, however, risks overlapping with the role of the Welsh Language Commissioner's responsibilities.

Improved social capital

Social capital refers to the networks and relationships between people and organisations within society and communities. These ties and relationships are what enable societies to function and achieve common goals. Though not explicitly explored through research tools, and therefore remains a tentative finding at this point, there was some suggestion that the Arfor programme has enhanced social capital around the Welsh language.

The businesses interviewed all expressed support for the general rationale of the programme whilst the Cymunedau Mentrus scheme has expanded the capacity and reach of social businesses that pursue similar aims. Stakeholders suggested that wider support existed within the area to help pursue the core objectives of economic development that was supportive of the language. Stakeholders also identified other potential delivery partners, beyond local or national government, which had not been engaged during the lifetime of Arfor.

Arfor appears to have acted as a hub, around which a coalition of ‘allies’ have or could have been drawn (and enticed through direct funding). This suggests that there may be a network of organisations and individuals interested in pursuing the common purpose of developing economic interventions that benefit the language, and a programme such as Arfor can lead and progress this through its work. Menter Môn’s involvement both as a delivery and management partner exemplifies the type of wider support and involvement that can be stimulated and fostered through the Arfor model. Indeed, their involvement has enabled the latter company to pilot and develop their own innovative solutions to the challenges facing rural Wales and the Welsh language, and to add value and knowledge to their wider work.

The implications of this largely concern the future and any potential expansion or extension of the programme. If Arfor is to be continued in some form, then its role as a hub, but also the potential allies and delivery partners, should be a consideration in its evolving design and delivery model.

3.4 Management

Model of delivery

From the perspective of the businesses, a key benefit of delivering the programme through the local authorities appears to have been the **efficient application process**. This is particularly relevant to the direct grants to businesses. This was widely believed to be due to the experience of council staff members in administering grants. By and large, processes exist and staff, when administering grants, are aware of the necessary steps to ensure accountability. Moreover, given the tight time limits and the need to turn grants around quickly, this would seem to be a particular strength of the model.

However, management staff in all four local authorities noted that the **administrative burden was considerably heavier than anticipated** or planned for, particularly in relation to the direct grants to businesses. Staff frequently noted that management and delivery personnel were required to work longer than originally planned, and that much more could have been achieved with more members of staff.

The decision to effectively outsource the management of some grants to Menter Môn was, at least in part, an attempt to alleviate the administrative burden, although Menter Môn were also considered to have a particular knowledge and skill set that would enable them to administer the grants more effectively as well as link to wider sources of support.

'There needs to be more staff resource. Arfor is a lot of work. It takes more time to monitor every Local Authority and individual projects [than originally anticipated]. A lot of time has gone in on the project management and administration. I don't know if that's because of the model of delivery, I mean, by doing it through four local authorities you learn a lot more. If you only had one organisation responsible for it, I don't think the learning would have been as good.' [Author's Translation] (Management Interview, 2021)

A few stakeholders suggested that an alternative delivery model could have alleviated some of this administrative burden. Local authorities were sometimes considered to be bureaucratic and process heavy, although this was not a view shared by all stakeholders nor the majority of the businesses interviewed. Nonetheless, some did feel that an independent or a separate body would have been able to administer the whole programme more effectively than four individual local authorities.

Some stakeholders were also disappointed that **opportunities to reach out to key institutions outside the local authorities, and to approach them as delivery partners, were not taken**. Some stakeholders suggested that Yr Egin could have played a more central role either in promoting the grants for businesses, or as a delivery partner. These suggested that there was a potential benefit of coordinating support for the creative industry through or with Yr Egin, whilst the Food Centre Wales at Horeb could play a similar role in supporting or delivering support to businesses and start-ups in the food and drinks sector.

Staff frequently noted that the **lack time for the design and development of schemes** during the earlier stages of the programme limited the extent to which new and innovative partnerships or schemes could be developed. However, staff in all four Local Authorities noted that **the universities within the area have a potential to support the delivery of Arfor programmes** and, if an extension or continuation is considered, then these institutions should be considered as delivery partners.

Timeline

The design of a strategic plan was outsourced in the summer of 2019; however, decisions had already been made in relation to the type of support and the schemes that would be offered. Indeed, the call for applications to some of the direct grants to businesses were opened in the summer of 2019, as the external contractor was engaged to develop the strategic plan. As a result of which, the strategic plan was never likely to inform the delivery of the programme, and consequently sought to focus upon the wider strategic picture and examining the evidence linking the economy and the Welsh language (see 'What is Arfor' in Chapter 1).

Most staff members suggested that a longer design and development period would have enabled more innovative schemes to have been included in the programme. **The short timeline was widely thought to have been a weakness of the programme**, though outside the control of its Board or the management.

3.5 Pandemic and other external impact

It is clear that the **coronavirus pandemic has had a significant impact on the programme**, it's delivery and **any attempts to evidence its impact**. The pandemic has led to widespread business closures due to lockdown measures, has severely limited the extent to which businesses can engage with customers and the community and, in many stakeholders and management personnel's view, has impacted the mentality of businesses and business owners. Businesses and business owners are widely thought to have been **focused primarily on survival during the pandemic**, rather than focusing on business development. Some businesses have also amended their delivery in response to the pandemic and what was originally planned by some beneficiaries, was not necessarily what will be delivered.

Businesses and management personnel noted that the **impact** of the programme and the activities, products or services developed through the grant **will only be seen in the years to come**. This **increases the importance of continuing to monitor the businesses that have received grants**, the impact of the new products and services have had upon their turnover, the extent to which they have created new jobs and the impact upon the Welsh language. As well as the impact on specific businesses, the proof of concept for some schemes remains to be comprehensively evidenced.

Although the coronavirus pandemic posed many challenges and problems for both businesses and the programme management, many also identified opportunities. Particular attention was drawn to the fact that businesses, business owners and new businesses had been presented with an opportunity to consider, refine and develop their plans for the businesses. Arfor, in turn, presented the means by which those plans could be taken forward.

'I've been surprised at how many businesses want to develop and how many new businesses there are out there. I think this has been really positive [for Arfor]. Its allowed people to think and put time into developing ideas. Maybe that time to think is a real benefit and opportunity.' [Author's Translation] (Management Interview, 2021)

Broader issues have impacted the programme to some extent. Businesses and management staff noted that supplier delays were encountered as a result of Brexit.

3.6 Impact

The specific impact related to each of the schemes has been discussed in the relevant sections above. However, there was widespread agreement among businesses, stakeholders and management staff that the impact of the programme would not be felt in earnest for some years. Both the pandemic and the nature of the programme - funding the initial steps in a chain that it is hoped would lead to the creation of jobs - meant that the true impact was not measurable at this stage.

'Reporting on the impact has to come down the line. It's at least a year away, a year and a half. One of the things that I wanted to see most was jobs being created, then because of covid, safeguarding jobs, and that happened.' [Author's Translation] (Management Interview, 2021)

3.7 Partnership working

The **partnership working, sharing of good practice** and wider if informal familiarisation between the staff of the four local authorities was frequently hailed as **an important aspect of the programme**. Management staff frequently noted that the relationships and processes that had been begun for the purposes of delivering this programme would **likely continue into the future**. Moreover, some of the schemes that had been trialled and in operation in one or two of the local authorities have been identified as being suitable for wider roll out among the other local authorities.

Staff suggested that **key lessons have been learned** in relation to the management of grants, but also the wider understanding of the state, challenges and opportunities facing smaller micro businesses within the region, and the type of support that would enable those businesses to develop further and create more jobs.

The process of working with and indeed outsourcing of the delivery of the programme to partners suggests also that there is both **an appetite and capacity for the Arfor agenda to be developed and delivered by a range of actors**, not just government and local authorities. The two northern authorities have developed a very strong working relationship with Menter Môn, who are consequently developing their engagement with the southern counties by developing a Llwyddo'n Lleol for Ceredigion and Carmarthenshire.

This relationship is perceived to have been beneficial to both partners; Menter Môn have received the **financial backing needed to trial schemes that had been in development** for some years. The northern local authorities, meanwhile, have ensured that the programme has been delivered by a **partner with experience and expertise both in business development and developing the Welsh language in business**. Menter Môn are also able to support the Arfor schemes further by linking to their wider business and language support programmes.

These programmes have in turn **drawn funding and financial support from other sources** such as the LEADER programme and have enabled the **continuation of some of the schemes beyond the lifespan of Arfor**. Ffiws for example, will continue to have a presence in places like Porthmadog with technicians funded through the LEADER programme for at least another year.

'The positive thing with Menter Môn is that it's created a platform for us to move these forward and develop things further. That link through LEADER is more flexible, and although Welsh government were clear that Arfor couldn't support LEADER programmes, it has enabled us to continue funding some things. That relationship is really strong, and it continues. We could do more with other partners like Yr Egin or the food centre at Horeb, and I'd expect [any future iteration or continuation of Arfor] to do that because they are a good example of how to pursue the themes of Arfor and there are others; there are the universities, there is the Galeri in Caernarfon, there is the Llandrillo-Menai Group. We need to get the message out there and push that entrepreneurship agenda because there's a base this year to develop something across all four authorities.'

[Author's Translation] (Management Interview, 2021)

Moreover, work with Menter Mon and M-SParc has demonstrated the appetite but also the range of ideas and capacity that exists among wider partners. The Arfor Programme has **begun the work of coordinating a coalition of organisations and partners committed to economic development that is of benefit to the Welsh language**. This, arguably, potentially represents a more **lasting and impactful legacy of the programme** if these organisations and partners continue their work in the field and / or are supported into the future.

Other partners and organisations that work with businesses to help develop bilingual products and services are also thought to have benefited, largely through exposure to new ways of working and engaging with businesses. Management staff feel that Arfor has worked in ways that are more effective than some Welsh Government support services, **revealing good practise and key lessons for these wider services**. As discussed previously, placing the development of Welsh language services and capacity at the heart of grant approval criteria has led to a **more substantive engagement with the support programmes** and a **fuller realisation of the potential of the Welsh language within business**. The funding available through the direct business grants encourage businesses to engage substantively with services such as Helo Blod, whereas normally their officer will be tasked with engaging business individually and convincing them to engage without a material incentive.

'It added value to things like Helo Blod. They've had so much buy-in. Helo Blod pay for an officer to go around businesses introducing the language and their services, which is fine. But through Arfor there's money available and it encourages businesses to go after that money, and through that they engage properly with Helo Blod. everybody who took part in the programme had to register with Business Wales.'

[Author's Translation] (Management Interview, 2021)

3.8 Legacy and sustainability

The Arfor programme has sought to **trial business support schemes on a relatively small scale**. These pilots will not bring about significant change across the Arfor area but have identified key lessons and learning to inform future efforts to develop economic and business interventions that do not neglect, and indeed contribute to the viability of the Welsh language.

Arfor generates a direct impact most clearly through the projects that are developed and implemented. The theory is that **the economic and language impact of these projects would not be known if they had not been trialled/tested with Arfor support, and that logic is clear**. Llwyddo'n Lleol, Ffiws and even the direct grants were unlikely to have found funding through any other source and no data would have existed to demonstrate their capacity to support job creation, businesses and the local economy, as well as increasing the use of Welsh within the workplace, creating favourable conditions for further development of language capacity and services, as well as potentially increasing the numbers of Welsh speakers in the business community.

That impact is, however, unlikely to be significant beyond the individual business or community supported given the scale of the programme and type of projects supported. For the projects to have a significant impact **the learning must be shared, and schemes must be mainstreamed**.

Mainstreaming is only possible however if (a) there is an awareness amongst 'mainstream' policy and funders of the projects and their impact and (b) that mainstream funding is available to follow on from Arfor. These are the barriers/enablers of Arfor. A key task for Arfor and its staff in the post-Arfor period, or during any continuation or extension of the programme, will be to **promote good practice amongst and beyond the four participating LAs**. Moreover, for the impact to be felt beyond the very local or small scale, the key **successes of the programme must be mainstreamed and funding identified for their continuation**. In this regard, **the funding-dependent nature of the support may constitute a key weakness in the design**; without continued funding, the impact of the programme remains limited.

'Learning' is also identified as a critical outcome generated by the focus within Arfor on trialling and innovation as a priority. However, learning outcomes can only be achieved if there is an ongoing loop back to activities, and ideas can be refined and developed, drawing upon that learning. Specifically, the learning has to be captured and then shared. This 'loop' is an important aspect of the pilot or demonstrator funds.

4 Discussion and Lessons

4.1 Discussion of the outcomes

The Arfor programme has been a means by which four Local Authorities have trialled a number of business support schemes that also aim to have a beneficial impact upon the language. The rationale, that creating more, and better jobs can enable Welsh speakers to remain working and living in the Arfor area and contribute to the sustainability of the language in its “heartlands”, is one that was shared by the majority of staff, stakeholders and beneficiaries. Ultimately, the programme has demonstrated and generated evidence of this happening on an individual level. Data explored in this report suggests that each individual scheme has been of benefit to businesses and expanded the provision, visibility and/or the capacity to use the Welsh language in business. These schemes, in a variety of ways, have also created jobs and enabled Welsh speakers to secure employment within the area, providing proof of concept. This section explores the learning from the whole programme, including the process of developing the interim report and the ongoing discussions with and amongst the management and delivery team throughout the programme’s lifetime. The section discusses the findings in relation to the wider aims of Government strategy and efforts to develop economic interventions that are beneficial or supportive of the language.

4.2 The Impact

What impact has Arfor had upon businesses?

The impact of the direct grants to businesses upon businesses is relatively straightforward. The monitoring data projects that 154 businesses have been supported, 226 FTE jobs safeguarded, and 238 full time and 89 part time jobs have been created in part or entirely due to the support received. On average, the programme has safeguarded **1 FTE job for every £6,917.05** and **1 FTE has been created for every £5,288.79 spent**. These outcomes are largely related to the direct grants for businesses. However, the monitoring data only offers projected or planned for outcomes and subjective estimates. Further monitoring is required to validate the actual outcomes of the programme. This report has recommended that the management staff maintain their contact with these beneficiaries and continue to monitor the impact of the schemes.

Interviews with the businesses, however, suggest that the support has been of particular value. For established businesses, the **support has enabled the development of services and products or new ways of working**. Importantly, and in relation to a key sub-question of the evaluation, these businesses consistently noted that such developments **would have been particularly difficult to secure without the Arfor grant**. The data suggests that small and micro businesses in the Arfor area experience **challenges in accessing finance and investment in order to fund key developments**. Businesses and management staff were generally confident that, in time, **these developments would ensure higher turnover and enable the recruitment of additional staff members**.

Data suggests that **new businesses**, often targeted by specific schemes such as the 'Grant Mentro' in Ceredigion or the Llwyddo'n Lleol programme in the two northern counties, have also **benefited greatly from the direct support**. Between the two schemes specifically targeting star-ups, the support has led to the **creation of 37 new businesses** during a trying economic climate.

The flexible support through the direct grants is considered instrumental in **enabling, particularly younger business owners, to access funding and investment**. Indeed, the data suggests that **younger business owners face additional challenges in accessing finance and investment for their businesses due to a lack of credit history or capital**. These **grants consequently fill a particular void** and, arguably, a market failure.

Moreover, the data suggests that some schemes are having a **wider impact on the communities**, the **young people** and even the **narratives around the economy** and starting businesses in the area. However, **these should be considered preliminary findings** and it should be noted that the **data and evidence is largely subjective**. Qualitative interviews with stakeholders, management staff and beneficiaries are inherently from those individuals' perspectives. A bias towards emphasising the successes is possible.

This is certainly not to invalidate the findings, only to draw attention to the possibility of **optimism bias** and the **preliminary nature of these findings**. This magnifies the importance of revisiting this programme, the individuals and businesses supported in the years to come to explore and collect more objective data in relation to the impact this programme has had.

[Based on the learning from this programme, how can economic interventions contribute to the sustainability of the Welsh language in the Arfor area?](#)

The Arfor programme has supported schemes that have contributed to the sustainability of the language in three different ways. Firstly, the direct grants to businesses attach a positive linkage to their funding conditions, i.e. in order for an application to be successful, the business must demonstrate and engage substantively with the development of language capacity and services. Grants are effectively structured to **embed language provision and development within businesses**.

This is done primarily through a relatively simple mechanism, by requiring applicants to present plans and score well in their submissions in relation to the Welsh language and its development within and by the business. By embedding language development within business planning, the grants have ensured **more substantive engagement with the agenda**, as well as **with wider government support services** such as Helo Blod. Ultimately, this leads to more, and more accessible Welsh language services and products, as well as the language becoming more visible amongst businesses. **This does not necessarily increase the numbers of Welsh speakers in an area**, but it does support communities and individuals to live their lives through the medium of Welsh. Moreover, the jobs created could, theoretically, be taken by local Welsh speaking residents or those who otherwise would have left the area.

Management staff, meanwhile, noted that the businesses themselves were living **examples and case studies of local residents succeeding without having to leave the area**. Key **businesses that championed the language had been recognised** alongside the **value of the language in business**. This was hoped, though not supported with data to date, to have a wider impact on the perceptions of the role of language in business.

The direct grants, therefore, whilst not directly increasing the number of Welsh speakers, did increase its use by businesses and provided a means by which the language can be used in the communities. The grants also offered employment to enable Welsh speakers to live in the area.

Secondly, **Llwyddo'n Lleol**, alongside supporting nascent businesses run by young people, sought to establish a positive discourse around young people remaining in the area and starting businesses. The young people supported have both **developed and in some cases established full time businesses** and have documented their journeys and **publicised the possibilities and options for young people wishing to remain in the area**. These stories directly challenge the notion that young people must leave the area to secure suitable employment. Only in time will it be possible to determine the impact of these stories upon their peers. Moreover, a key question remains; **will young people who are inspired by the stories require their own support programme, necessitating continued expenditure and investment in programmes such as Llwyddo'n Lleol?** The scheme, nonetheless, represents an economic intervention with valid economic outcomes, which also supports the sustainability of the language by challenging a damaging discourse that encourages out-migration.

Finally, the **Cymunedau Mentrus** scheme sought to support and expand the work of key "allies" in pursuit of similar aims. Specifically, the development plans of three social businesses that seek to create employment for local people, through the medium of Welsh, were supported. This approach differs from the other schemes in that the impact is entirely secondary and draws upon the capacity and role and impact of the businesses within communities. This approach, it could be argued, seeks to capitalise on the social capital that exists within the communities of Arfor, and involves those communities in the pursuit of strategic goals.

[Has Arfor succeeded?](#)

More generally, the data suggests that it is possible to support business development and innovation alongside supporting the development of Welsh language capacity. The latter does not limit the former from creating and supporting jobs linked to innovation within companies across a range of sectors. Moreover, the former does not limit the latter, and businesses can be supported and encouraged to develop their Welsh language capacity alongside wider business development, and that language development can be mainstreamed and embedded within business development.

This report does not explore alternative or hypothetical economic interventions that are beneficial to the language. Rather, it limits itself to the data available from the activities undertaken and impact evidenced. It can conclude, however, that **the model has succeeded in its aims of supporting economic development alongside language development**. This has been achieved largely by mainstreaming and embedding language development within wider business development.

Importantly, it suggests that **there is value** to trialling, evaluating and learning from interventions in the economy to support businesses. Given that a wide range of alternative interventions may be possible, there is **justification to continue** with the work of trialling and evaluating. The **interim report's first recommendation remains relevant**, though dependent on identifying and securing resources to fund and support the work.

4.3 The Delivery process and model

4.3.1 Rationale and design

Programme rationale, design and addressing the core challenges of the area

As noted in the introduction and the interim report, the interventions were built on the premise and logic that creating more and better jobs would encourage and support people to remain in the area. In turn, this would counter the outward migration, particularly of young people, and enable Welsh speaking communities to remain viable.

Create more jobs -> More opportunities for local and young people to work and live locally -> More Welsh speakers to sustain communities.

A programme of this scale was unlikely to achieve a degree of change that would have any significant impact upon outward migration in general within the area. As a pilot or demonstrator programme, the hope was that the schemes would **reveal what works and what lessons can be learned**.

Several of the schemes within the programme were designed primarily to support businesses, with the hope and intention that by growing and expanding, those businesses could then employ more people. The direct grants to businesses, the only schemes running in two of the local authorities, were the clearest examples of this. Logically, this added an additional step to the theory of change, and an assumption that businesses would create jobs, and that those jobs would be available to young people in the area. Innovation and a desire to grow emerges as a key criteria for the businesses supported within the logic, though failed innovation may also represent a degree of risk, i.e. if the innovation fails and the business does not grow, the grant will not support the desired outcomes.

Arfor supports businesses -> Businesses innovate and grow -> Businesses recruit and create jobs -> More opportunities for local and young people to work and live locally -> More Welsh speakers to sustain communities.

Creating jobs was an aspect that would score highly in applications and there is data to show that the programme has enabled businesses to both innovate and recruit. Logically, **there are more opportunities for local and young people to work and live locally due to Arfor**. In this regard, Arfor has succeeded in revealing ways in which the more opportunities can be created for local and young people to work and live locally.

Creating “the right jobs”

Whilst there are job opportunities for local and young people, there were, nonetheless, no efforts to ensure that the jobs would be offered to local/young people and Welsh speakers, nor those who would otherwise have left the area. In this sense, **more could be done to understand the relationship between creating jobs and the ‘right’ people taking the posts, or in understanding which were “the right jobs” to attract young, local and Welsh speaking people to live and work in the area.**

Indeed, the labour market data for the area suggests that employment has kept pace with the rest of Wales over the past 20 years. Lack of employment does not appear to be an issue that adversely impacts the area, and outward migration of young people has continued as employment has risen. Statistical analysis undertaken for the Interim Report suggested that there was either no relationship, or if there was, a negative linkage between job creation and the language i.e. when the economy grows and jobs are created, the numbers of Welsh speakers decline.¹⁰ **Simply creating job opportunities may not, alone, be enough. It may even be counterproductive.**

The likely challenge therefore is related **not to the number of jobs**, but to the **type of jobs available to young people**. The challenge is also likely **related to wider issues concerning the quality of life and ambitions of young people**.¹¹

Whilst the programme has succeeded in creating more jobs, its success in creating “better” jobs is less clear, possibly due to the uncertainty in relation to what a “better job” is.

The programme had stimulated **critical investigation of the concept of a “better job” in relation to the aims of the programme**, the economic prosperity and the linguistic vitality of the area. These discussions could help further refine the specific aims, the explicit targets and the impact of any future efforts that seek to develop both the economy and linguistic vitality. **The notion of a “better job”, in relation to its wider social and language impact, should be considered within the wider context of who takes the job.**

¹⁰ See also <https://www.arsyllfa.cymru/is-there-a-statistical-relationship-between-economic-development-and-the-welsh-language/>

¹¹ See also

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/902943/Moving_out_to_move_on_report.pdf

LESSON 1: The management staff and stakeholders have developed their thinking in relation to a key Arfor concept, namely the notion of a “better job” within the area, post-pandemic. The staff and stakeholders should aim to continue to develop their understanding of what constitutes a “better job”; this will inform any future efforts to develop job creation programmes or economic interventions that have a beneficial impact upon the language. A “good job” should also concern the social and language impact of the job being created.

Part of a wider approach

Indeed, staff were increasingly viewing the intervention as only a part of the possible response. Whilst the focus upon creating jobs was welcome, it could only, and probably **should only be a component of a wider approach** to tackling outmigration and the threat to the sustainability of the language as one of community and working life. This wider approach should involve improving the range of determinants of the **quality of life** of living within rural areas, as well as **addressing the negative narrative concerning living and working locally**. In regard to the latter, schemes such as Llwyddo’n Lleol sought to create and publicise an alternative narrative that stresses the opportunities for young people to start businesses if they stayed in the area, although there is a risk that its success would be contingent upon continued support and funding opportunities for the programme to continue. The Cymunedau Mentrus scheme, meanwhile, sought to address the former, by creating work opportunities in more remote rural communities, focussing on generating economic, social and language benefits to those communities as well as recycling expenditure locally.

These findings appear to have confirmed the view expressed in the interim report, that economic intervention should only form a component of a wider approach.

‘In the long run, economic interventions must be considered in the wider context. Although the aim of Arfor is to develop economic interventions, which have a positive linguistic impact, they will ideally support, and be supported by, a range of wider social policies which enable non-Welsh speakers to acquire the language and facilitate its use. Moreover, improving and developing the appeal and quality of life in these rural areas will be further key components of any approach that tackles the issue of out-migration.’

LESSON 2: Strategically, expectations of what impact a job creation programme can have upon migration (in and out) and consequently the language should be limited. Ideally, economy>language approaches should be a part of a wider strategy to tackle the underlying and structural factors threatening the sustainability of the language.

Young People

There were no specific attempts to encourage the recruitment of young people through the direct grants however, and where they had been employed, it was coincidental. This is not to devalue the impact of the schemes and the jobs created; indeed, the jobs have offered employment and therefore the means of remaining and living in the area to many people.

However, given that the programme implicitly sought to counter outmigration, particularly of young people, it would have been **more in keeping with the logic of the programme to seek to encourage businesses to create jobs or possibly apprentice positions specifically targeted at young people.**

However, there was some agreement that the logic of the programme would and should not comprise the only approach to addressing outmigration and the challenges to the sustainability of the Welsh language and its speakers in rural areas.

More generally, it would have been beneficial and informative had the management collected data in relation to the age of the individuals being employed by the businesses. This data can still be collected if, as management have indicated, the monitoring of these businesses is to continue into the future. A further examination may then be undertaken, of the type of jobs that appeal to young people, and what a “good job” is.

LESSON 3: It is recommended that the age profile of individuals benefiting where jobs are created is captured in future monitoring data. This would enable the management to gain insight into the types of interventions and jobs that encourage young people to remain in the area.

However, one **key finding** relates to the success of the Arfor schemes that have appealed to young people. The Grant Mentro in Ceredigion is thought to have been taken up entirely by people under 35 years old, and most were younger still. The data in relation to the grant suggests that young people face additional challenges in the area when seeking finance or investment in start-ups. A lack of credit history or capital is a significant challenge to purchasing equipment for instance. The Grant Mentro, however, provided the finance and enabled these young people to overcome their challenges. Consequently, 17 new businesses have been established within a difficult economic context. **The experience of this grant suggests that young people would be more likely to remain in the area, and start businesses, if finance and business investment were more accessible.** The Llwyddo’n Lleol programme has also demonstrated that, with support and guidance, there is a demand amongst young people to start businesses and remain in the area.

Economy>Language interventions

The relationship between the economy and the Welsh language is not well understood within Wales. This issue was examined in detail in the Interim Report but has also been discussed within the wider literature as well as the Revitalise programme at Aberystwyth University. One of the latter’s key conclusions was to draw a distinction between economy>language, i.e. economic intervention that has an impact on the language, and language>economy i.e. the role of the language within business and the economy. The majority of economic related language programming and interventions conform to the latter and seek to promote the value of Welsh to businesses and individuals within the labour market.

This programme has sought to explore economy>language approaches, and to develop business or economic interventions that can have an impact upon the language. The programme has succeeded in this regard and has demonstrated how business support can also be sensitive to and supportive of language sustainability.

The direct grants to businesses have embedded language planning and development within wider business plans. This was achieved through the prominence awarded to the criteria within the application process. Moreover, by encouraging or in some instances insisting upon engagement with wider support services such as Helo Blod, the grants have also ensured that businesses access best practice and good support as they develop their language capacity and services. This could be understood as **a process of attaching a positive linkage to the grant funding**.¹² In other words, it represents an economic intervention that also contains a language>economy component, effected and effectively enforced by the particular design and criteria of the direct business grants and economic intervention.

As a consequence of the more substantive engagement with the language, the grants have stimulated and led businesses to increase their Welsh language activity/visibility. In turn, this generates demand, and businesses seek to meet the demand for more use of the Welsh language.

In detail; by encouraging informal and internal developments, **particularly within businesses that have recruited Welsh speakers, the grant has supported the development of business' capacity to engage, at least informally, with clients and customers**. By engaging informally through social media, signage or informal conversations and communication with clients and customers, business believe that the **demand for products and services has increased**. This echoes the wider research on the value of Welsh within business as a means of generating demand and widening the appeal. Alongside, and to meet the increased demand, however, **businesses have also looked to develop formal processes of engaging with clients in Welsh, such as bilingual ordering and invoicing**. The grant has consequently stimulated relatively rapid development and incorporation of Welsh into both the formal and informal workings of the business. In turn, there are more possibilities and indeed suggestions that more people take advantage of the opportunities to use Welsh language within the communities of the Arfor area. This does not directly impact the overall sustainability of the language in terms of numbers of speakers, but it does help create conditions for language use within communities.

Llwyddo'n Lleol, meanwhile, has sought to provide direct business support to start-ups and young people. This is an economic intervention. However, by incorporating a marketing and PR campaign into the programme – specifically by requiring beneficiaries to document their experiences of starting a business in the area – the programme has developed a narrative around employment and work that contrasts with an established discourse. The story being promoted through the beneficiaries is that young people can start successful businesses in the area, and that it is an engaging and exciting process. This contrasts with the established economic narrative, namely that young people must leave the area to secure adequate employment.

¹² A “positive linkage” is a term borrowed from the democracy assistance literature. It refers to efforts by states to attach conditions to international aid, enticing recipient countries to make changes in order to receive the aid.

If the established narrative is a barrier to young people living and working in the area, then the Llwyddo'n Lleol programme has identified a possible means by which this narrative can be countered. Moreover, the positive narrative promoted by the programme is explicitly an economic one but can potentially have a positive impact upon the language. An economy>language intervention.

The Language Grant, however, provided direct support to businesses to engage solely in developing their language capacity and services. Alone, this grant represents only a language>economy intervention and could overlap with the role and support offered by a range of wider actors and support services. However, its use as effectively the initial step for businesses, before accessing the Business Grant, served to ensure substantive engagement with the language within the business.

Duplication and overlap or added value?

Concerns were raised in relation to the risks of duplicating some of the work that support services such as Helo Blod should be offering. However, management staff were of the view that rather than duplicating the support, the programmes had added value to such services. Staff argued that businesses often saw such support services in a tokenistic manner and rarely engaged with the support in a substantive manner to transform their own businesses. By embedding language development into the business plans and signposting businesses to the Helo Blod support service, the grants encouraged a more substantive engagement with the process. Moreover, the approach, in the view of staff and businesses, has developed the notion that developing language services and capacity is a process rather than a one-off activity, and that the Helo Blod service would in future be a trusted source of support. However, staff did note that they felt that the schemes could have been better integrated with wider support services at the design stage. Moreover, staff felt that key lessons had been learned in engaging businesses with the process of developing language capacity and services.

LESSON 4: The management staff should seek to engage with Business Wales's Helo Blod and the Welsh language Commissioner's business support services with the aim of sharing their experiences and good practise developed while delivering this programme.

Social Capital

Arfor appears to have acted as a hub, around which a coalition of "allies" have or could have been drawn and enticed through direct funding. This suggests that there may be a network of organisations and individuals interested in pursuing the common purpose of developing economic interventions that benefit the Welsh language, and a programme such as Arfor can lead and progress this through its work. If Arfor is to be continued in some form, then its role as a hub, but also the potential allies and delivery partners, should be a consideration in its evolving design and delivery model.

LESSON 5: If an extension or continuation is considered, the role of social capital and the added value of a wider coalition of delivery partners and allies should be considered when developing the design and delivery model. The design should look to capitalise and maximise the impact that the social capital may achieve.

4.3.2 Delivery

Promotion and take-up

Management noted that there had been no efforts to publicise Arfor as a single or homogenous programme. Each LA promoted their own programmes locally, largely through council social media, and through word of mouth or the social media of the officers. However, over the lifetime of the programme, staff suggest that the **brand had been established and somewhat recognised**. More broadly, this offers a **platform that enables the LAs to build upon the impact and reputation of the current programme**.

Staff were mixed in their views in relation to the take-up of the grants. The two northern LAs reported a consistent and satisfactory level of interest in the grants available. Businesses were generally happy to engage with the Language Grant as a precursor to applying for the Business Grant in Ynys Môn. However, Ceredigion and Carmarthenshire staff reported interest waning during the lockdown period. This was largely attributed to a **shift in focus for businesses, toward survival and safeguarding jobs**. Staff noted however, that by September 2020, around **six months after the initial lockdown, interest had picked up and businesses were again looking at development and diversification**, with the grants appealing.

The initial and rapid resurgence of interest in grants to support development and diversification suggests that there is relatively strong demand in the area amongst small and micro businesses. **A successor programme should be expected to attract a similar level of interest**.

The wider programmes, particularly Llwyddo'n Lleol and Cymunedau Mentrus were popular, with the criteria for the former even narrowed for the second call in order to focus the support on university students staying home due to lockdown restrictions.

A possible drawback of the approach, but a factor that also attributed to the tight timescales for designing and delivering the programme and schemes, was the relative failure to engage businesses that had not previously considered developing the Welsh Language services and products. This was also, to some extent, by design. However, some stakeholders suggested that an alternative and **possibly more impactful approach would have been to target businesses that had not sought to develop their language capacity and services**.

Management and delivery model

Businesses, stakeholders and management were of the view that **the programme and individual schemes had been well managed and effectively delivered**. The application processes were rarely criticised by businesses, and **little evidence supported the views of some stakeholders that LAs were cumbersome or slow to deliver**. However, staff across the LAs reported that the administrative burden of the schemes, particularly the direct grants to businesses, was an issue.

LESSON 6: More resource was required to manage and deliver the programme than had been anticipated. If extended or continued, the programme should account for the administrative burden of administering the grants.

Whilst effective in delivering the planned outputs, the model was nonetheless criticised for not engaging with or approaching **institutions outside the LAs as delivery partners**. **The universities within the area were frequently noted as potentially valuable collaborators**, whilst others noted that key institutions and organisations such as Yr Egin and The Food Centre Wales could have supported and enhanced the support being offered. Ultimately, stakeholders felt that the coalition of “allies” and the pool of social capital and possible delivery partners from which programmes such as Arfor could, in theory, draw upon, is much wider. Once more, **a lack of time to deliver the support schemes limited these possibilities**.

LESSON 7: If an extension or continuation is considered, including institutions that are hubs within sectors such as Yr Egin of the Food Centre Wales as well as numerous Universities in the area should be considered as delivery partners.

As has been noted in relation to several aspects of the design and delivery, many of the weaknesses of the programme have been attributed to the short timeline. This short timeline **was widely thought to have been a weakness of the programme**.

LESSON 8: If an extension or continued, the management and funders should consider allowing more time to design and develop schemes. This should enable staff to approach key stakeholders and possible delivery partners to add value to the support as well as draw a wider network of actors into the field of developing economic interventions that benefit the language.

External Impact

The **coronavirus pandemic has had a significant impact on the programme**. The pandemic has clearly impacted its **delivery and any attempts to evidence its impact**. As a result of which, caution must be taken in two regards. Firstly, the **findings of this evaluation must be considered somewhat preliminary**. Further evaluation and monitoring is required to corroborate the findings outlined above. Secondly, the unique circumstances brought about by the pandemic are unlikely to be repeated and it is difficult to gauge their precise impact upon the programme and its delivery. The pandemic is considered to have dampened businesses desire to develop and innovate. However, it may also have spurred businesses looking to safeguard their continued existence, to seek any support available, and consequently encouraged applications for business grants. The recruitment of the young people for the Llwyddo’n Lleol programme, particularly the second round, meanwhile, was tailored to attract those having to remain home from university or delay their studies. **These opportunities would not have been available without the pandemic**.

More broadly, **the impact** of the programme and the activities, products or services developed through the grant **will only be seen in the years to come as businesses recruit and seek to raise their revenue**. This **increases the importance of continuing to monitor the businesses that have received grants**.

LESSON 9: The programme management and the four local authorities should seek to remain in contact with the businesses and beneficiaries of the programme. The management should aim to continue to monitor the impact that the support has had into the next few years.

Sustainability and future

The Arfor programme was a pilot or demonstrator fund, seeking to test ideas on a limited level, evaluate their impact and suitability in order to learn lessons. Its direct **impact is unlikely to be significant beyond the individual business or community supported** given the scale of the programme and type of projects supported. For the projects to have a significant impact, **the learning must be shared, and schemes must be mainstreamed.**

The Arfor structure, involving cooperation between the staff of the four LAs, **represents a means by which the learning and good practice can be shared internally.** Indeed, the rollout of the Llwyddo'n Lleol scheme in Ceredigion and Carmarthenshire suggests as much. As a body of four rural LAs with data and experience to support their claims, the four LAs are also well positioned to engage externally with other LAs, umbrella bodies for LAs, Welsh Government and City or Region Growth Deals with the learning and knowledge generated through this programme. This was recommended in the Interim Report, and this Final Report has presented data that supports the validity of those recommendations.

LESSON 10: In looking to share good practice and learning, and to promote the mainstreaming of successful activities, the four LAs should continue to cooperate into the future, regardless of whether a formal Arfor programme exists. The Arfor structure presents opportunities to maintain cooperation; for sharing good practice and learning internally; identifying opportunities for mainstreaming; identifying funding opportunities for further trialling; and for promoting learning and knowledge externally to influence wider economic governance structures.

4.3.3 Interim Report Recommendations

The recommendations from the interim report are discussed in Section 1.1.2.

As noted in a previously, **the Arfor programme has demonstrated the value in trialling and evaluating interventions.** This is particularly valuable in a context where a lack of available evidence and research limits the extent to which specific interventions can be proposed with confidence in their impact. This work should continue if more and better or more effective interventions are to be identified and evaluated for their potential.

The second recommendation proposed that a research group be established, ideally made up of individuals from further afield than language policy specialists. **The value of evaluating and evidencing** if and importantly how economic interventions can be supportive of language development and sustainability **has been demonstrated by the interventions trialled through the Arfor programme.** However, the scope for further evaluation and research remains wide. There is still a role for a group not only to evaluate any future interventions and their impact on the language, but also to revisit existing interventions and economic developments. Moreover, **the need to draw on wider evidence and research remains relevant** if effective interventions are to be identified and mainstreamed within and even beyond the four counties as part of wider efforts to support the sustainability of the Welsh language.

The interim report also recommended that a formal body be established in order to continue to promote successful interventions within the local authorities in the Arfor area as well as externally. This body should also seek to identify means and resources that would enable the work of trialling and evaluating interventions to continue. **This recommendation remains relevant**, and if the legacy and impact of the Arfor programme is to be secured, then **a suitable organisation or body should continue the work of promoting the successes and relevance of the interventions trialled within the Arfor programme**. The process of evaluation within this report may offer some insight in relation to the organisation or body that would be suitable.

Finally, the interim report recommended that, with the impact of the pandemic likely to prevent spending, that the programme should consider funding additional research into the relationship between the economy and the Welsh language. Specifically, it was recommended that the programme explored the reasons as to why young people leave or return to the area. Ultimately, the pandemic did not prevent spending and delivery, consequently there was no need to divert the budget into alternative activities. However, out-migration and in-migration, particularly of young people, remains an area burdened by preconceptions and limited evidence. Further research into this area, possibly led by a research group (see recommendation 2), would likely be of considerable benefit to future efforts.

5 Conclusions

The Arfor programme has successfully trialled small scale business support schemes, and demonstrated that they have the potential, if structured to do so, to increase the use of Welsh within the workplace, to create favourable conditions for further development of capacity and services, as well as increase the numbers of Welsh speakers in the business community. The impact, and specifically the monitoring data, should, however, be reviewed in the future to validate and corroborate the findings of this report, but there was no data to suggest that the schemes have failed to achieve these impacts to some or a greater extent.

The programme has had the most visible and direct impact through direct business grants to small and micro firms in the area. These businesses frequently noted how difficult it was to access alternative sources of finance, investment and capital. In this sense, the grants have proved particularly valuable for these businesses, and have enabled expansion and diversification. In turn, these businesses have created 238 FTE and 89 part time jobs and safeguarded 226 FTE jobs, increased revenue, and in being local firms, are more likely to recycle the revenue locally.

By embedding the development of language services and capacity within businesses, largely through positive linkages and by necessitating engagement with the Helo Blod service, the programme has identified ways to support the Welsh language. Schemes such as Llwyddo'n Lleol, meanwhile, have demonstrated a means by which a narrative around starting businesses and living within the area can be created and promoted.

The programme, in spite of the delays and difficulties caused by the COVID-19 pandemic has, therefore, been a successful in supporting pilot schemes to promote economic development and generate a benefit to the Welsh language. It has succeeded in identifying ways in which economic interventions can support the sustainability of the Welsh language in rural areas. The immediate challenge of ensuring that the learning and good practice is shared, learned and adopted, remains for the participating LAs.

The Arfor programme has also offered insight into the types of interventions that will support the strategic aims of the Welsh Government in relation to the Welsh language. Creating jobs can offer a means by which people may remain and work in the area, though much work and research is needed to determine what types of jobs encourage Welsh speakers to live in the area rather than non-Welsh speaking in-migrants. This is important as failing to do that risks engaging in counterproductive interventions that adversely impacts the language. Further and more refined evaluation of the impact may offer insight into these issues.

The process of delivering the programme has spurred a critical examination of the problems and possible solutions that the Arfor area faces in relation to the economy and the Welsh language. In this sense, the programme can also be considered a success. Staff and stakeholders have developed their understanding and supporting data surrounding ways in which economic development can support the language. Moreover, the Arfor model has proved itself to be a successful means of piloting a range of schemes and, at times, involving wider delivery partners and capitalising on the social capital that exists in the area.

Ultimately, however, the Arfor programme was a pilot or demonstrator fund. Given its scale, therefore, the **direct impact is unlikely to be significant beyond the individual business or community supported**. For the programme to have a significant impact and a constructive legacy, **the learning must be shared, and schemes must be mainstreamed**. The Arfor structure, involving cooperation between the staff of the four LAs, nonetheless represents **an effective means by which these two tasks can be accomplished**. The LAs should therefore **seek opportunities to continue to cooperate, to share good practice internally and promote it externally, to mainstream effective schemes, and to identify opportunities to fund further pilots**.

5.1 Summary of Lessons

LESSON 1: The management staff and stakeholders have developed their thinking in relation to a key Arfor concept, namely the notion of a “better job” within the area, post-pandemic. The staff and stakeholders should aim to continue to develop their understanding of what constitutes a “better job”, this will inform any future efforts to develop job creation programmes or economic interventions that have a beneficial impact upon the language. A “good job” should also concern the social and language impact of the job being created.

LESSON 2: Strategically, expectations of what impact a job creation programme can have upon migration (in and out), and consequently the language should be limited. Ideally, economy>language approaches should be a part of a wider strategy to tackle the underlying and structural factors threatening the sustainability of the language.

LESSON 3: It is recommended that the age profile of individuals benefiting where jobs are created is captured in future monitoring data. This would enable the management to gain insight into the types of interventions and jobs that encourage young people to remain in the area

LESSON 4: The management staff should seek to engage with Business Wales's Helo Blod and the Welsh Language Commissioner’s business support services with the aim of sharing their experiences and good practise developed while delivering this programme.

LESSON 5: If an extension or continuation is considered, the role of social capital and the added value of a wider coalition of delivery partners and allies should be considered when developing the design and delivery model. The design should look to capitalise and maximise the impact that the social capital may achieve.

LESSON 6: More resource was required to manage and deliver the programme than had been anticipated. If extended or continued, the programme should account for the administrative burden of administering the grants.

LESSON 7: If an extension or continuation is considered, including institutions that are hubs within sectors such as Yr Egin or the Food Centre Wales as well as the numerous Universities in the area should be considered as potential delivery partners.

LESSON 8: If an extension or continued, the management and funders should consider allowing more time to design and develop schemes. This should enable staff to approach key stakeholders and possible delivery partners to add value to the support as well as draw a wider network of actors into the field of developing economic interventions that benefit the language.

LESSON 9: The programme management and the four Local Authorities should seek to remain in contact with the businesses and beneficiaries of the programme. The management should aim to continue to monitor the impact that the support has had into the next few years.

LESSON 10: In looking to share good practice and learning, and to promote the mainstreaming of successful activities, the four LAs should continue to cooperate into the future regardless of whether a formal Arfor programme exists. The Arfor structure presents opportunities to maintain cooperation; for sharing good practice and learning internally; identifying opportunities for mainstreaming; identifying funding opportunities for further trialling; and for promoting learning and knowledge externally to influence wider economic governance structures.

Appendix: Referenced Sources

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