

FAO: Peredur Owen Griffiths MS and the Finance Committee

Welsh Government Draft Budget response on behalf of members of the eight National Companies funded by the Arts Council of Wales

The importance of the arts to Welsh people has been emphasised during the pandemic. As a creative outlet to make sense of the world, a social occasion, or purely escapism many people have found joy, comfort, and hope through the arts. But at the same time, a highly skilled and experienced workforce found themselves unable to operate as they previously had. The sector proved itself to be agile and creative in responding to the crisis and now has a bold vision for a future where the arts are central to the fabric of Wales – supporting its citizens at home and representing its vitality across the world.

It is crucial that the Welsh Governments' budget for 22-23 supports this vision.

Enclosed in this letter are details of how the arts support the Programme for Government, and why it should be a priority sector to support in 22-23 as part of Wales' economic recovery. Also highlighted is the critical need to invest in routes into the arts workforce, particularly for behind-the-scenes roles. This issue is shared across the creative industries where growth could be stymied without the requisite investment at this point.

The national arts companies are keen to support Welsh Government to achieve its aims and support the economic recovery of the nation. If any supplementary information is wanted, please contact Lleucu Siencyn (CEO of Llenyddiaeth Cymru I Literature Wales) via [REDACTED]

Warm Regards,

Lleucu Siencyn

On behalf of members of the eight national companies funded by the Arts Council of Wales. They are: BBC National Orchestra of Wales, Ffilm Cymru, Literature Wales, National Theatre Wales, Theatr Genedlaethol, National Dance Company Wales, Wales Millennium Centre, and Welsh National Opera.

Summary:

The National arts companies welcome the opportunity to input into the Finance Committee scrutiny of the draft 22-23 Budget and call on Welsh Government to invest in:

- a green recovery for the creative sector that recognises the opportunity cost of adjusting ways of working and developing new products and services to provide sustainable options aligned with working practice across transport, energy, food and waste disposal.
- skills development that recognises and enables the creative sector as a growth sector; and
- a further iteration of the Cultural Recovery Fund to support creative venues – including theatres, cinemas and multi-arts spaces – in their financial recovery.

The Well-being of Future Generations Act

The cultural sector can play an important role in supporting all 44 public sector bodies' contributions to meeting the seven National Well-being goals of the Future Generations Act. These goals naturally align with the organisational aims and values of many in the arts sector.

Cultural well-being and cultural rights are central to the sustainable development agenda. Many in the cultural sector, from grass roots organisations to national companies, have been working under what is known as the sustainable development principle – or the five ways of working – for many years. We instinctively understand the long-term value of co-creation and prevention in addressing societal inequalities.

The Act shows clearly how effective and sensible working across sectors can be, and we would advocate for an increased engagement between the cultural sector and other pressurised sectors, including Health and Education. Public sector bodies, such as local health boards, can harness the power of creative thinking when developing new policies and think differently about recovery in Wales, both economic and for the nation's health and prosperity.

Culture can play a positive role in local regeneration and civic decision-making. Addressing the climate and nature emergency will be crucial to ensure the safety and well-being of our future generations, and the cultural sector can play a prominent role in communicating the anxieties, as well as hopes, of children and young people – making sure that their voices are included around the table of decision and policy makers.

Investment into a green recovery

As a sector we are committed to becoming more environmentally aware and sustainable organisations with a particular focus on adapting how we work in terms of transport, waste disposal, and catering. This does, however, have budgetary impacts. We feel that there should be more budget available to address the climate emergency at sectoral level, that recognises that green solutions need to be advanced within specific contexts, and to support companies to work in more sustainable ways. For example, when representing Wales on the international stage we would advocate to travel by train rather than air – this adds up to an additional 25% to the touring travel budget. There is also a need to develop new green products and services that enable the sector to have more environmentally

sustainable choices, which is an area where some UKRI funds (£600k) have been leveraged, as part of the successful multi-party Media.Cymru bid for the Cardiff Capital Region, but where there is more work to do.

From a creative perspective, as arts companies we can also highlight environmental issues as subject matter, raising public awareness. We can explore and focus community thinking. We can influence and implement action on a local level, exploring subject matters such as climate change, flooding and biodiversity.

Recognising the ongoing effects of the Pandemic

The Cultural Recovery Funds have been essential for the survival of many in the sector, especially venues whose business models are dependent on earned income which has collapsed. Even now, earned income for venues and producers of work who are dependent on ticket income and fees remains well below pre-pandemic levels. This means that the impact of those organisations is curtailed at the very moment that communities across Wales need the inspiration and connection that culture brings for both audiences and participants. Many organisations are embracing change – to work more closely with those most affected by the pandemic, to better reflect Wales and its diversity in our staff, artists, and audiences and to adopt new business models which are environmentally sustainable. This change can only be released over a reasonable period of time, as new people are engaged, funding sources are identified, and organisational design adapts. During this period of change the sector requires ongoing support to embed that change.

Evidence has been provided to the Culture Committee – in its inquiry of 24th November 2021 into the impact of Covid-19. This includes, for example, recognition of the costs of implementing the recently mandated Covid Pass into theatres and cinemas including the need to open venues for longer, with more staff, to service checking of the pass; additional marketing costs; and lost revenues from reduced admissions, cancellations and refunds.

Arts and cultural venues have, throughout this pandemic, gone above and beyond in protecting the public, but will need further time to recover as audiences regain their confidence in attending these spaces.

Investing in growth – the skills agenda

The creative industries are a growth sector that offers the opportunity of high-value jobs. For example, it is notable that, despite the pandemic the UK spend on feature films has remained high at £1.69 billion between July 2020 and June 2021, while spend on high-end TV production has risen from £1.01 billion in 2016-17 to £3.46 billion in 202/21 (BFI 2021). This demand requires fuelling with skilled people and an investment in training to build capacity.

The creative sector utilises a highly diverse range of skills from construction and catering to administration, accountancy, electricians, hair and make-up to writing, design and business management, with demand across all areas of expertise. Meanwhile, the performing arts sector is experiencing a serious shortage of backstage staff including production managers, stage managers and technicians, having seen many leave the sector when venues faced prolonged closure.

Welsh Government's commitment to a skills body in its Programme for Government, as being progressed by Creative Wales, requires financial backup to ensure that growth opportunities and demands needs can be realised. This includes provision for more apprenticeships (including shared apprenticeships); the development and advancement of conversion courses that enable people with transferable skills to move into the sector and continued professional development training.

We stand ready to work with Welsh Government in the development and delivery of its creative skills strategy, including establishing clear pathways through from education. And we are committed to working directly and alongside others to practically fast-track the advancement of a future-facing workforce.