

CCWLSIR IIC 26

Senedd Cymru | Welsh Parliament

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon, a Chysylltiadau

Rhyngwladol | Culture, Communications, Welsh Language, Sport, and International Relations Committee

Effaith costau cynyddol / Impact of increasing costs

Ymateb gan Llenyddiaeth Cymru / Response from Literature Wales

English-language response:

What impacts has increasing costs living had on your organisation and sector so far?

At Literature Wales, and across the Literature and arts sectors, we are beginning to feel the effects of the cost-of-living crisis. We are still figuring out the full effects, but we are expecting it to seep into every aspect of our activity.

We are fortunate to have relatively small overheads for a national arts organisation, but we are still hugely affected. We have lots of mitigations in place, and the flexibility to alter our programme relatively quickly in response to the external environment so we are not immediately worried about the viability of the charity. However, the cost-of-living crisis will directly and profoundly impact on our work, our people, and the communities we work with.

What impacts do you predict increasing costs will have on your organisation and sector? To what extent will these impacts be irreversible (e.g. venues closing, rather than a temporary restriction in activities)?

Building Running Costs

Our main concern is about Tŷ Newydd, Wales' National Writing Centre where we host residential writing courses and retreats. Energy prices at Tŷ Newydd are expected to rise by approximately 235% in the next year, and extra cost of around £15,000 for the charity. Food costs have already increased by 10-12%, and we are anticipating that other unavoidable costs including laundry services, cleaning, and taxi services will also increase. The bulk of our expense at Tŷ Newydd is tutor and guest readers' fees, with £63,000 spent during the last normal year pre covid on writer fees. For the 2023 programme, we will be rising tutor fees by 10%, and aiming to pass that cost on to paying customers. As a centre with a large number of loyal and returning customers, we anticipate the rising fees to attend courses being met with resistance and disappointment, with sales figures very likely to be negatively impacted.

Tŷ Newydd is a large Grade II* listed building, dating from the 15th century and the former home of Prime Minister Lloyd George. As a small arts charity, we do our best to keep the building in good repair but are concerned that rising costs, and lower sales will lead to a downward spiral for the building, after already facing two difficult years of closure during the pandemic.

If we continue on the same trajectory as now, we have concerns about the viability of our artistic programming, and are likely to be unable to compete with our large competition in England due to the smaller nature of our centre.

Writers

Many of the writers and facilitators we work with are freelance artists, with no steady and reliable income coming in monthly. The pressures on schools, community groups and organisations might have an impact on how much work there is for our writers, and writers in turn will need to increase their daily rates of pay which will be a further deterrent for event organisers. At Literature Wales we are a value-led organisation and committed to paying fair fees to writers, alongside expenses which are rising rapidly. Without ability to recoup much of the rises in costs from our partners and funders, we may need to decrease the amount of work that we do in order to pay appropriately for work that we do deliver. We are therefore concerned about the well-being of writers, and their ability to continue in this line of work, which would be incredibly detrimental to the literary ecosystem, our work and the achievement of our goals. We are already seeing many more requests for immediate payments, or payment in advance, from freelancers due to economic hardship, and are beginning to hear of talented Welsh artists leaving their professions due to fears for the future.

Staff

I'm sure it is common across the arts sector that over the last few years staff have received pay rises that do not exceed the rates of inflation. This year we managed to give a 4% rise to our employees, partly thanks to the additional 1.5% portfolio grant we received from ACW. In order to retain staff and keep morale high we would like to keep our salaries at least in line with inflation, but this is currently looking challenging and will rely on successful fundraising activity, as we are expecting a standstill grant from ACW in 23/24. Two third of our employees earn less than the ONS's mean full-time UK salary (£31,447) so are likely to be heavily impacted by the crisis. Currently morale is high, and the team are understanding but we are concerned about the future impact of staff leaving the sector as the crisis deepens. Across the sector experienced professionals are leaving and we are hearing that skills such as fundraising, communications and finance are particularly hard hit due to the transferable skills those staff members have. Whilst we are not yet in a staffing crisis within Literature Wales, we are fearful about our ability to retain staff and/or fill vacancies appropriately.

What interventions would you like to see from the Welsh and UK Governments?

It may be wishful thinking but a pilot basic income scheme for artists, mirroring Ireland would solve a lot of issues within the freelance arts sector

and show our creators across Wales that their work is valuable and that they are provided with the space to be creative. We believe that would not only have impact on the artists themselves, but on Wales' position on the world stage.

More practically, we would like to see targeted support for buildings run by the arts sector to enable them to keep their doors open when confronted with astronomical running costs. Many of Wales' arts centres are not just spaces performances, but vital community hubs and we are at risk of losing them.

However, primarily we would like to see an increase in funding for the arts sector via Arts Council Wales to pass on to their portfolio organisations, similar to last year's award, but announced earlier in the financial year to allow for organisations to plan effectively. Last year we had already begun difficult conversations with the team about our inability to provide a pay-rise, and necessary shrink in our programme, before the extra 1.5% funding was confirmed on the 29th March.

We feel as its important for the Welsh Government to recognise that beyond providing enjoyment and entertainment, the arts provide an important service to society – providing a return on investment. The arts boost the economy through attracting audiences to venues across Wales; upskill individuals through development schemes, preparing a creative workforce for employment; and perhaps more importantly, the arts support the health service by in contributing towards health and well-being benefits for those taking part in our activity. In 2019, the largest ever evidence report on arts and health was published, covering the findings from over 3,500 published studies and gives a comprehensive overview of the role the arts play in supporting health globally.

We know that engaging with literature can help tackle some of these hugely challenging issues. While it can't reduce poverty, it can help people cope better with stress, increase general well-being and reduce anxiety and loneliness. It can also make people happier, increase self-confidence and contribute to better connected and more cohesive communities. Impact evidence from many of our own community participation projects is strong. Much of our work in this area has reached some of the most vulnerable and marginalised people in society, including people in care homes, refugees and those living with mental and physical disabilities.

Now more than ever, literature should be deployed to treat a surge in long-term mental and physical illness and can be readily available across Wales in almost any setting. Literature is a powerful (and cheap) tool to improve well-being outcomes and can make a huge contribution to improving the lives of people in Wales. It can also help to build more resilient workforces and communities and be utilised alongside other preventative measures to mitigate against ill health (especially mental ill health).