



Deyton
Bell
Limited



Economic Impact Report

A report for
Arts Council of Wales
NOVEMBER 2024



Reggae Riddim Festival, Newport
Image: Shutterdown Photography

Introduction

The Arts Council of Wales is the country's official public body for funding and developing the arts. Established by Royal Charter in 1994, we support and develop the arts in Wales for the benefit of people throughout Wales, and we support Welsh arts internationally.



Cyngor Celfyddydau Cymru
Arts Council of Wales

Arts Council of Wales exist to:

- Develop and improve the knowledge, understanding and practice of the arts
- Increase the accessibility of the arts to the public
- Work through the Welsh and English languages
- Work with other public bodies in Wales, and with the other Arts Councils in the UK, to achieve these aims

The outstanding quality of the artistic work produced by the artists and organisations we fund is widely recognised, and we are increasingly developing work with measurable and direct links to health, wellbeing, education, and environmental benefits.

Why this report, and why now?

At the Arts Council of Wales, we believe passionately that we can contribute significantly to all seven Well-being of Future Generations goals and that we are helping to create a prosperous, resilient, healthier, more equal, globally responsible Wales with more cohesive communities, a vibrant culture and thriving Welsh language.

We have strong evidence for our social and cultural contribution, but we have not always been as good as we could have been at showing the economic benefits of our work to the people of Wales. In an era where there is huge competition for public funds, and where, at the time of writing, we have experienced a 40% reduction in our funding in real terms since 2010, we know it is vital to make the case for the Arts in every way – for the joy the Arts bring, the wellbeing the Arts support, the education the Arts deliver and the financial and economic benefits the Arts bring to the people of Wales.

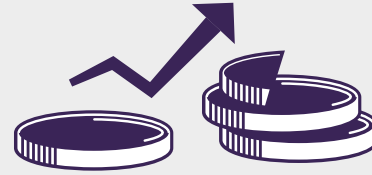
This new report, from experienced economic consultants Deyton Bell, evaluates our economic impact, and shows the significant impact that our work has for the Welsh economy and Welsh jobs. To read the full report, visit arts.wales

Key findings

Deyton Bell's research shows that:



▶ The arts and culture industry in Wales had a turnover of **£1.64b** in 2023/24.



▶ In 2023/24, for every **£1** received by Arts Council of Wales, **£2.51** went back into the economy.

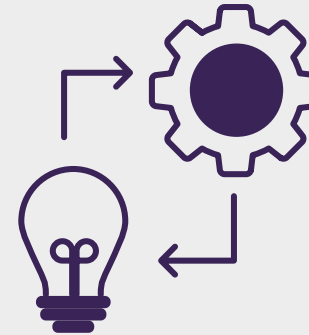


▶ **92%** of our funding is distributed across Wales, bringing benefits to every community.

19%



▶ Over the last decade, employment in the arts, culture and creative industries in Wales has increased by **19%** from **28,900** (2014) to **36,960** (2023).



▶ Our approach to funding over the last two years has helped deliver a significant recovery in economic impact, from **£1.01 per £1** in 2021/22 (as the sector recovered from its devastation by the COVID-19 pandemic), **£2.51 per £1** in 2023/24.



The Arts Council of Wales have provided vital funding, support, and advocacy for the development of arts and health across Wales, without which the sector would not be where it is today. The commitment to arts and health has important benefits to patients, staff, visitors, volunteers, and the wider population of Wales. It is vital that this work continues and grows to support the health and wellbeing of current and future generations.

TERI HOWSON-GRIFFITHS, ARTS AND HEALTH STRATEGIC LEAD, BETSI CADWALADR UNIVERSITY HEALTH BOARD

A solid knowledge base

Our work builds on a growing body of global evidence for the economic impact of arts and culture undertaken over the last decade.

The Centre for Economics and Business Research (CEBR) seminal research for Arts Council England in 2015 (updated 2019) showed that the arts and culture industry across the UK has labour productivity 30% higher than the economy as a whole. They calculated that in 2016, arts and culture delivered £23b of Gross Value Added (GVA) to the UK economy and paid £5.00 in taxes for every £1.00 of public funding received.

McKinsey's 2023 report showed that in 2022 180m fiction books were sold in the UK, there were 117m cinema visits, 30m attendances at live music events and 30m visits to art galleries. It concluded that people across the UK "engage with the arts on a massive scale". This resulted in 620,000 people being employed in the arts, as well as 350,000 self-employed people, and a contribution of £49b of GVA to the UK economy (50% more than the telecommunications sector, for example).

Recent research in Scotland showed that Scottish museums and galleries contributed £115m in GVA and generated £2.67 in economic output for every £1.00 of core grant.

In Wales, Arad Research's work with Theatr Clwyd showed that the theatre contributed £7.7m to the Economy of north east Wales in 2017/18. Creu Cymru's research into the effectiveness of Hynt, the national access scheme, showed that for every £1 spent on Hynt, £6.05 of social value is created.



The arts are a key driver for economic development. They open up opportunities, build social cohesion, and raise aspirations. The arts are a leveler, bringing together people from all parts of society and providing a forum for ideas, conversation, and discussion.

STEFFAN JONES-HUGHES, DIRECTOR, ORIEL DAVIES GALLERY

Without the funding provided by the Arts Council of Wales to ensure that arts are available for everyone, we cannot flourish as a nation.

BETSAN MOSES, CHIEF EXECUTIVE OFFICER, THE NATIONAL EISTEDDFOD

How Arts Council Wales' approach is delivering economic gains



Before Capital Investment from Arts Council of Wales, Ballet Cymru were limited in what we could offer in terms of engagement and professional work. Without our own base, this amounted to approximately 10 freelance dancers, a small staff and engagement work which took place in hired venues throughout Newport. Now, with Capital Investment, we engage with over 3,000 people annually at our base including professional dancers, freelance creatives, staff, and all those receiving training through our participation programmes.

BALLET CYMRU

In 2022/23 we adopted a new strategy for investment in artists and the arts, drawing heavily on the lessons we learned in the pandemic – which highlighted the vital importance of long-term planning and adaptability. The grants were announced in 2023/24 and implemented in 2024/25. Our new approach is focused on making sure that those we are funding are delivering the objectives set out in our Royal Charter, and offers grant recipients greater ability to flex and change the detail of what they are offering in response to changing circumstances.

This longer-term thinking is most visible in the increasing number of organisations receiving multi-year funding, which has risen from 67 (in 2023/24) to 81 (in 2024/25) and includes 23 organisations receiving multi-year funding for the first time, enabling us as an organisation to extend our reach and support more diverse creative initiatives.

Multi-year funding gives arts organisations greater abilities to experiment with new projects and new forms of income generation, diversifying their funding, improving their sustainability, and helping them to grow and contribute more to their local and the Welsh economies. The funding we distribute has increased this year across most artforms and creative areas, including circus and outdoor arts, visual and applied arts, digital arts, dance, venues, and mixed artforms.

Organisations and artists receiving Arts Council of Wales' grants are spread across the whole country, ensuring that every local economy benefits from our work.

Future Impact

Deyton Bell's analysis shows that a modest 10% increase in funding from 2023/24 levels could yield a significant growth in return on investment - from £2.51 today to £3.29 by 2035.



The Betsi Cadwaladr University Health Board in north Wales has developed several arts and health initiatives funded on a project basis by the Arts Council of Wales. This enables the team to test and pilot art and health projects, from which we can then leverage and source funding from other places, to keep them going. Where possible, we aim to embed arts and health within the health board.

BETSI CADWALADR UNIVERSITY HEALTH BOARD STATEMENT

Deyton Bell's analysis shows that a modest 10% increase in funding from 2023/24 levels could yield a significant growth in return on investment - from £2.51 today to £3.29 by 2035. Critically, increased investment leads to greater returns per pound invested. Our analysis shows this could also create 1,375 additional new jobs through growth of the arts across all our partners - from major events to community support, where grassroots activity continues to create new jobs

Our study of the way economic benefit and jobs are generated by different kinds of arts organisations shows that the biggest gains in economic impact (GVA) and employment are likely to be made through increased investment in medium-sized organisations, with grants in the £100,000-£250,000 bracket, so depending on where any extra money is spent, the economic return could be even greater.



Dawns i Bawb and residents from Brynseiont Newydd Residential Home
Image: Brynseiont Newydd



Arts Council Wales' impact isn't just financial. Their support and guidance is really valuable to us as a black led organisation in getting to grips with applications and bid writing – they work really hard at getting to know us and our work. I would definitely not have been as savvy in getting funding for our work without their support. ACW has really helped us in business development and not only funded us but also showed us how to grow a creative arts business.

LOREN HENRY, CEO, URBAN CIRCLE

Case Study

Creative Learning through the arts



Creative Learning in the Early Years, Sunshines Pre-School, Llanfoist Fawr Primary School

Our Creative Learning programme supports schools, learners, and teachers and has delivered over 140,000 learning opportunities since 2015. The programme has also delivered over 4,600 opportunities for teachers to support their professional learning.

Both main strands of the programme can deliver significant economic impacts:

Regional Arts and Education Networks make it possible for schools and arts organisations to share best practice and find partnerships. Training enhances the skills of teachers and artists, and learners in schools across Wales gain valuable skills in some of the areas that will be most vital for successful careers. The programme has employed hundreds of artists, giving them important new skills and making a significant difference to the viability of their work, particularly for early career artists.

Experience the Arts Fund “Go and See” grants enable children and young people to experience high quality arts events in venues across Wales. School children visit theatres, museums, galleries and other cultural venues and the programme has been evaluated as “accessible and straightforward to administer and deliver.” This helps the viability of venues and supports the wider local economy across Wales – such as local bus and coach companies that provide transport.



*When we provided capital funding to **Galeri Caernarfon** it helped create a new cinema which was projected to create 3.5 full-time jobs, it now supports 8.5 jobs*

*Abergavenny's **Borough Theatre** would have closed without Arts Council of Wales investment -but following a £1m refurbishment, it sold 9,800 tickets to shows in the first six months of 2023.*

*In Wrexham, **Tŷ Pawb** has used the funding they received from us to welcome 1.2m visitors (2018-2022) and has generated £350,000 in grants from other bodies and earned income.*

*Newtown's **Oriel Davies Gallery** actively seeks to use local suppliers and aims to make sure that their spending benefits the local economy. Several local suppliers say this is important to their business and is vital in creating jobs.*

**To read the
economic impact
report in full,
visit arts.wales**

