



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

Cofnod y Trafodion The Record of Proceedings

[Y Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu](#)

[The Culture, Welsh Language and
Communications Committee](#)

18/10/2017

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Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd. Lle y mae cyfranwyr wedi darparu cywiriadau i'w dystiolaeth, nodir y rheini yn y trawsgrifiad.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included. Where contributors have supplied corrections to their evidence, these are noted in the transcript.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Dawn Bowden Bywgraffiad Biography	Llafur Labour
Suzy Davies Bywgraffiad Biography	Ceidwadwyr Cymreig Welsh Conservatives
Neil Hamilton Bywgraffiad Biography	UKIP Cymru UKIP Wales
Bethan Jenkins Bywgraffiad Biography	Plaid Cymru (Cadeirydd y Pwyllgor) The Party of Wales (Committee Chair)
Dai Lloyd Bywgraffiad Biography	Plaid Cymru The Party of Wales
Jeremy Miles Bywgraffiad Biography	Llafur Labour

Eraill yn bresennol
Others in attendance

Sybil Crouch	Cyfarwyddwr, Canolfan Celfyddydau Taliesin Director, Taliesin Arts Centre
Andy Eagle	Cyfarwyddwr, Canolfan Celfyddydau Chapter Director, Chapter Arts Centre
Emma Goad	Rheolwr, Blue Canary Arts Fundraising Manager, Blue Canary Arts Fundraising
Rachel Jones	Prif Weithredwr, Celfyddydau a Busnes Cymru Chief Executive, Arts & Business Cymru
Yvonne Murphy	Cyfarwyddwr Artistig, Omidaze Artistic Director, Omidaze

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Robin Wilkinson	Y Gwasanaeth Ymchwil Research Service
Manon Huws	Cynghorydd Cyfreithiol Legal Adviser
Lowri Harries	Dirprwy Glerc Deputy Clerk
Adam Vaughan	Clerc Clerk

*Dechreuodd y cyfarfod am 09:31.
The meeting began at 09:31.*

Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau Introductions, Apologies, Substitutions and Declarations of Interest

- [1] **Bethan Jenkins:** Croeso i'r Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu, a chroeso i'r aelodau. A oes gan unrhyw Aelod Cynulliad rywbeth i'w ddatgan yma heddiw? Na? Rydym wedi cael ymddiheuriadau gan Lee Waters a Hannah Blythyn, ond nid oes dim ymddiheuriadau eraill, ac nid ydym yn disgwyl dirprwyon ar ran y ddau Aelod Cynulliad hynny.
- Bethan Jenkins:** Welcome to the Culture, Welsh Language and Communications Committee, and welcome to our members. Does any Assembly Member have an interest to declare this morning? I see not. We've received apologies from Lee Waters and Hannah Blythyn, but there are no other apologies and we do not expect any substitutions for those two Assembly Members.

Cyllid Heblaw Cyllid Cyhoeddus ar gyfer y Celfyddydau: Sesiwn Dystiolaeth 3

Non-public Funding of the Arts: Evidence Session 3

- [2] **Bethan Jenkins:** Rydym yn symud ymlaen at eitem 2, sef cyllid heblaw cyllid cyhoeddus ar gyfer y celfyddydau: sesiwn dystiolaeth 3. Croeso i Andy Eagle, sef cyfarwyddwr
- Bethan Jenkins:** So, we will move on to item 2, which is non-public funding of the arts: evidence session 3. I'd like to extend a welcome to Andy Eagle, the director of Chapter

Canolfan Celfyddydau Chapter, a Arts Centre, and also to Sybil Crouch, hefyd i Sybil Crouch, cyfarwyddwr the director of Taliesin Arts Centre. Canolfan Celfyddydau Taliesin. Welcome to you here this morning. If Croeso i chi yma heddiw. Os yw'n it's all right with you, we'll have a iawn gyda chi, mae gennym ni gyfres series of questions on different o gwestiynau ar themâu gwahanol. themes. So, we will move on to Felly, rydym ni'n mynd i fynd i mewn questions immediately, but I will pass i gwestiynau yn syth, ond byddaf i'n on to Members throughout the pasio ymlaen at Aelodau ar hyd y morning. So, we'll start with Suzy bore. Felly, rŷm ni'n dechrau gyda Davies. Suzy Davies.

[3] **Suzy Davies:** Let's start with some scene setting, then. You both represent well-established organisations and have been involved in the sector for a long time. Can you give us some kind of indication of how your experience of raising arts funding through non-public means has changed over the period of time you've been involved?

[4] **Mr Eagle:** It's certainly got harder over recent years. I think the sector in many ways is still in post-2008 meltdown, and, in particular, in relation to applications for corporate support. Still 84 per cent of UK corporate sponsorship goes into London, and that's 16 per cent in balance for the rest of the UK. So, it gives you a gauge on the scale of the challenges we have in Wales, where we don't have many FTSE 100 companies, except, notably, Admiral. I have to say that Admiral are very supportive of the arts in Wales; they directly sponsor Chapter on an annual basis. But, we don't have that volume of major companies with head offices in Cardiff. So, that corporate sponsorship in Wales has only got more difficult since 2008.

[5] **Ms Crouch:** Thanks, yes. The picture, I think I can say, from Swansea and west Wales is even more difficult, for kind of obvious reasons, really, given that the bases of most of the big companies that we have in Wales are based in the capital, and companies, of course, are also quite understandably focused on wanting to be associated with major events with a high profile. I think there's also been a trend where what we might previously have seen as arts sponsorship being directly related to marketing for companies, if you like, in terms of brand identity and so on, there has now been a move into perhaps supporting the arts as part of their social responsibility agenda. So, welcome, but slightly different.

[6] In terms of trusts and foundations, our experience—

[7] **Suzy Davies:** I think we might have some questions on that a little bit later, if you like. I want to ask you very specifically. We recognise the picture that you painted about London being the source of money and also the source of choice, if you like. Who do you think, if anybody, should be responsible for pushing brand Wales down into London and using that to help with raising the profile of the arts generally in Wales, and not just your own organisations?

[8] **Mr Eagle:** I have to say that I think we have a great product in the arts in Wales. I think it's one to be celebrated—

[9] **Suzy Davies:** Yes, but nobody who knows about it, which is my point.

[10] **Mr Eagle:** Well, this is the point I was getting to. If we have a great product, then I think it's an opportunity for public and private to celebrate that and to platform it, certainly in London and the rest of the UK, but also platform it in other parts of the world. I think there's a collaborative approach that's needed between the Arts Council of Wales and the sector. I think our national companies perhaps have a role there, but also Government in a brand Wales approach, because I think that we have a great product. It's about getting that product known beyond our own borders.

[11] **Ms Crouch:** I take the purpose behind your point, but I'm not entirely convinced that brand Wales, in a sense, will help to resolve the situation, particularly, again, outside of the capital and outside of the national companies. I'll just give you an example. Taliesin is a producer as well as a presenter of the arts, and we've been associated with two major projects and we have another one coming up. An artist that we work with was awarded the commission for the Artists Taking the Lead programme, which was part of the cultural Olympiad in 2012. So, there were 12 commissions for the UK, and this was the one for Wales. In order to get the attention of the national press, which we did, we used a public relations agency based in London called The Corner Shop.

[12] Similarly, in 2014 we premiered an opera by John Metcalf called *Under Milk wood: An Opera*. I think it's recognised as perhaps one of the big successes of that centenary year. We got fantastic coverage in the national press. As a result of that coverage, we had four- and five-star reviews in the major papers: *The Daily Telegraph*, *The Times*, *The Guardian*, and so on. As a result of that, the opera was shortlisted for the International Opera Awards,

alongside the Royal Opera House and English National Opera. So, we were on a shortlist of three, in brilliant company, and also for the Radio 3 awards, and the composer and the opera were featured on long-haul British Airways flights, and that was absolutely to do with the fact that we paid, again, for The Corner Shop, which is absolutely plugged in and can give profile to particular events. So, whilst brand Wales is useful, actually what we want is support for individual products from Wales, if you like, which don't necessarily originate with our big national companies.

[13] **Mr Eagle:** To add on to that—*[Inaudible.]*—with Arts Council of Wales support, is the Wales in Edinburgh fund, which is a very modest investment. It's a British Council showcase year in Edinburgh, and I know that two companies who performed at Edinburgh as a result of that very modest investment have now got large tours across the UK but also international touring dates as well, and those companies are Dirty Protest and Hijinx Theatre. So, with a very modest investment from the Arts Council of Wales to ensure that companies are able to get up to Edinburgh, there's been significant onward purchase, if you like, of those individual projects.

[14] **Suzy Davies:** All right, so a bit of pump-priming from the Arts Council of Wales has made a difference, because one of the things we're trying to explore as well is how different business support looks across different parts of Wales. You're here with a well-established presence, but that's not necessarily true of some of our smaller companies. Do you have any feed into helping less well-known, smaller companies, or venues even?

[15] **Ms Crouch:** We have a whole series of associate artists and companies that we work with. We have a dance buddy scheme in Wales, where venues work with independent choreographers, but I think the difficulty that we have outside of Cardiff—and I know it's shared; you only have to look at the evidence that the national companies are having this issue as well—is that there really is almost nil interest from companies. So, you can help people but, actually, if you're not offering something that that company sees as being valuable to them, particularly when you're in competition, for instance, with sport, which clearly has a very big pulling power in Wales—.

[16] So, I think, if there is a role for strategic interventions at Government level or at national level, then I, personally, would argue that that needs to take particular account of the situation outside of the capital city, because whatever our best efforts, I think the other side of that, then, is you have to look at what are the bangs for you bucks. You can put an awful lot of effort

into trying to get sponsors interested in the arts and artistic product outside Cardiff, but actually, if you're not realising a huge amount of money, you kind of go, 'What's the point?' Actually, you could be spending more—and, again, I think the nationals are finding this—and you spend an awful lot of money, but how much do you actually get back? I think as soon as you start trying to scale this out, if you like, you kind of have to think, well, it's useful—every pound is valued—but how much do you want to spend in order to attract the sponsorship to get that extra pound?

[17] **Mr Eagle:** I think, as a sector, we're very good at supporting each other. Sybil's the chair of Creu Cymru, which is the venue development network for Wales, which I think pretty much every venue in Wales is a part of, and they meet on a regular basis and exchange product ideas, exchange support ideas, exchange business ideas. So, I think we're very good at supporting each other on that level of partnership, if you like, but certainly, I think the challenges—. Having run venues in Brecon and also in the Neath Port Talbot area, the challenges in those areas are very different to the challenges we have in Cardiff, and one, quite simply, is numbers of chimney pots and an available audience. In the case of a venue, a venue has fixed costs. Whether it has 10,000 people on its doorstep or 200,000 people on its doorstep, it has fixed costs, and in order to generate those audiences, it probably needs almost greater levels of support than it would in a city, but those levels of support are obviously struggling and challenged through the arts council. So, I think the sector is very creative at helping each other out and making the most of what we have.

[18] **Suzy Davies:** Well, that's good to know, because I'm assuming you're including business ideas supporting that. Just briefly, on Arts & Business Cymru, have either of you worked with them? Has it been a good experience, a useful experience?

[19] **Mr Eagle:** I mean, in our case, working with Arts & Business Cymru, we've been party to the creative internship. One of our members of staff came through that scheme and is now employed by us, so, in that sense, yes, it's been a positive relationship.

[20] **Suzy Davies:** Okay, thanks. Have you worked with them at all?

[21] **Ms Crouch:** Not directly, although, again, I'm aware, largely through Creu Cymru, that particularly the business internship has been useful. I think it's interesting, in fact: I was just looking through the Arts & Business Cymru

awards for last year, and I see that Swansea University, which, of course, Taliesin is a part of, is considered as a sponsor of the arts, whereas in fact, of course, it is another public body. So, I think sometimes the descriptions are being a little blurred here, but I think, certainly, being able to benefit from advice from people working in business has been very useful. The amount of sponsorship, I think, is a little bit difficult to determine, and the extent to which they have benefited outside. Theatr Clwyd has always had a very good relationship with its local business—I suspect, partly, again, because its catchment, of course, is large parts of fairly well-heeled Cheshire as well as north Wales. So, as Andy said, catchment is very important. Reach is important to business. But on the Arts & Business Cymru side, personally not a great deal.

[22] **Suzy Davies:** That's fine. Thank you. Thanks, Chair.

[23] **Bethan Jenkins:** Okay, Jeremy.

[24] **Jeremy Miles:** I'd like to ask you about individual giving, and you've both mentioned that in your evidence. I think you mentioned that Chapter had had the first really substantial individual donation, if you like, recently. I'm taking from what you've said that the absence of a large number of high net worth individuals in Wales just makes the landscape even more challenging in terms of that being a realistic destination or source of funding, if you like. That's a fair description, I assume.

[25] We've had evidence from the national companies that have suggested that there would be some merit in the Welsh Government perhaps backing a national or international messaging, marketing campaign, taking the point you make about brand Wales. Firstly, do you regard that as being a realistic game changer, if you like, in terms of accessing high net worth individuals? If there was a proper marketing campaign on a regional basis or a local basis, not just a brand Wales basis, would that change things materially, do you feel? That's the first question. And the second question is on the prospect of the international Welsh diaspora and high net worth individuals living in other parts of the world. Do you feel that more could be done around tapping into that, and, if so, what would that look like from your point of view?

[26] **Mr Eagle:** Your second question, I would say, is an area that is definitely untapped as regards the sector. I think one of the challenges we have is actually knowing how to get to those high net worth individuals. I

mean, in relation to Chapter, we had a very generous donation and it was from a Cardiff resident. That took six months to a year of meeting, of encouraging—a fair amount of time investment.

09:45

[27] I think a lot of the—certainly the smaller companies and venues and galleries would find that investment upfront, if you like, really challenging, as much as from a capacity point of view. So, if there's a way of presenting the Wales arts in a way that, if you like, encourages more of our wealthy, successful sports people, arts people to give to the arts, and that that is a collaborative approach between the arts council, Government and tourism in Wales, I think that would be a really interesting area to explore. I think the potential is there; I'm not entirely sure how we get to it. But one example would be somebody like Michael Sheen, who, I think, gives very generously. I don't know if he gives generously financially or not, but he certainly gives generously in his time, and I think that association then creates leverage, and I know the Welsh college have been very successful in their relationship with Michael Sheen.

[28] **Ms Crouch:** You stole my Michael Sheen story. [*Laughter.*] Yes, Michael Sheen, in fact, has been very generous with what was called—and it probably still is called—the West Glamorgan Youth Theatre Company. I think the irony there, of course, is that for, actually, very modest amounts of money that previously came from the local authority, which have been withdrawn from the authority of which I'm a local councillor, which is Swansea, and Neath Port Talbot—. I think a total of £60,000, which is hardly a lot for a company that has seen hundreds if not thousands of young people go through its doors—. Not all of them have become famous like Michael Sheen, but it has transformed their lives in lots of different ways. So, I think Michael Sheen has stepped in and put support in to try and support that, but I think what we'll need to do to see that kind of thing scaled up, again, I think some research needs to be done to see how that works in other countries. I mean, America is the obvious one. I think you've had evidence from an American-based organisation, and, again, I think the pattern tends to be the same as it is for sponsorship: high net worth individuals, and we can see the same in London, and, to a certain extent, with the Wales Millennium Centre next door, there's a list of names on the board of people who have supported that building. How you then scale that out to the less attractive—. I mean, one of the issues here is that the arts are unknown, and they're risky, so, in a sense, that sort of mitigates to a certain extent against a lot of high net worth individuals

who would like some certainty.

[29] **Jeremy Miles:** But if we take it down from a Wales-wide level to a regional or a city level, for example, if there was a clearer understanding of who the internationally successful, wealthy, ex-residents of Swansea were, in your particular case, for example, wherever they live in the world, that would presumably offer at least a pool of potential donors to which you could turn. Would you have the capacity, or would organisations like yours, even then have the capacity, taking the point that you made, Andy, that is requires six to 12 months of presumably quite a lot of engagement on a personal level, and management time? Would you have the capacity even then to make use of that, do you feel?

[30] **Ms Crouch:** Taliesin is part of Swansea University. Swansea University has an alumni department, and there are members of staff whose only job it is to try to raise money, and they're now raising money for the centenary. I think they would tell you that it is extremely difficult. Sir Terry Matthews is obviously a very, very famous alumnus of Swansea University. I have no idea whether, apart from the very important role he plays as part of the city deal, he's actually put any cash in. So, I think, yes, universities have whole teams of people doing this, and, again, I think it would be interesting to interrogate the level to which they're successful. So, capacity is an issue. I think you'd also need to perhaps find some way of determining a suite of offers. That's the other thing: things would need to be sifted and then you kind of have an issue there of who makes those choices to put in front of those individuals. But all of these things, I think, could be usefully researched, again looking at what the experience is elsewhere before we leap into it.

[31] **Jeremy Miles:** Could you do it, then, presumably, if you were not part of Swansea University, as the picture would be presumably even more challenging, given what you've just said, for obvious reasons?

[32] **Ms Crouch:** No, there's no way. I mean—

[33] **Jeremy Miles:** But if there were, for example, in Swansea's case, an identification of who the people who might be donors were, and then a sort of city-wide, regional, approach to funding for different arts and cultural offerings within the city. That might get us a little further towards making that a reality.

[34] **Ms Crouch:** Indeed.

[35] **Mr Eagle:** And I think, in the case of Swansea, if Swansea has UK City of Culture awarded to it in 2021, there's an overarching regional brand that becomes a vehicle, then, to have those conversations. I think that's a very, very interesting time, if you like, to test some of the discussions about how successful they can be. But I think how we approach this is also incredibly delicate because there isn't an obligation for people to fund the arts, and it's very important that we get the balance right in how we would approach those individual high net worth individuals. That has to be done with great consideration and care in the approach.

[36] **Ms Crouch:** Can I just come to low net worth individuals? We've introduced—. It's very, very modest, but part of our ticketing system that we use allows people who purchase a ticket to pay more and to give a donation at the door, as it were, at the point of purchase. We've only just introduced it; it's been 12 months. So far, we've raised a very modest additional £6,000, but it's £6,000, in a sense, without any effort. It's basically built on people's loyalty to Taliesin and to the things that we offer. And, again, there may be—I'm thinking, again, particularly of rural Wales. Once you get out of Swansea, Cardiff, those kinds of modest measures may actually return more for the amount of effort input as a balance.

[37] **Mr Eagle:** We've done very similar. We have a group of members who give, on a direct debit, £10 a month, we have another group of members who give £50 a month, we have some who give £100 a month. So, we've developed that. We've also developed a scheme on legacy, so we have six legacies in waiting for Chapter. But that's partly because I have a department. I have capacity and capacity creates the opportunity, and that is absolutely key to this.

[38] **Jeremy Miles:** Thank you, both.

[39] **Bethan Jenkins:** Well, I know Swansea University can tap up Hillary Clinton now, so I hope they did that on Saturday. *[Laughter.]* Dai Lloyd.

[40] **Dai Lloyd:** Diolch yn fawr, **Dai Lloyd:** Thank you very much, Cadeirydd, ac yn troi'n benodol i sôn Chair. We'll turn specifically to talk am arian oddi wrth sefydliadau ac about funding from foundations and ymddiriedolaethau rŵan, fel pwyllgor, trusts. As a committee, we've rydym ni wedi cael tystiolaeth bod received evidence that London-based ymddiriedolaethau yn Llundain yn trusts are interested in investing

awyddus i fuddsoddi mwy yng Nghymru, ond bod nifer ac ansawdd y ceisiadau maen nhw'n eu derbyn yn parhau'n isel. A ydych chi'n cytuno efo'r feirniadaeth neu'r asesiad yna? Ac, os felly, beth sydd angen ei wneud ynglŷn â'r peth?

[41] **Mr Eagle:** As Chapter, we've been recipients of quite good trust and foundation funding. We're in the middle of a three-year funding arrangement with Esmée Fairbairn to run a scheme called Peilot, which is a specific artist-development programme we're doing. We've also received good funding from Calouste Gulbenkian as well, so we've been quite good at accessing those funds. But I think it's really interesting to put in context, in relation to the Esmée Fairbairn award, that, out of all the applications they had, 90 per cent were turned down. That's because trusts and foundations are literally being inundated at the moment, to the point where, actually, some trusts and foundations are actually withdrawing from the arts because they can't actually cope with the amount of applications they're having.

[42] A capital pot has literally just closed, which is the construction company Laing, because they just don't have the capacity to process the amount of interest there is, coming in. So, whilst we shift and encourage people to make trust applications, and I think there is area for improvement in that in Wales, we have to see the whole UK context, that they are literally being inundated because of the shift in public funding and reductions in public funding, and, if you like, our encouragement to go looking elsewhere.

[43] **Ms Crouch:** *Pretty much* yr un peth, yr un sefyllfa efo ni. Rydym ni'n trio codi arian ar hyn o bryd ar gyfer prosiect mawr, comisiwn arall a gawsom ni, **Ms Crouch:** *Pretty much* the same situation exists with us. We're trying to raise funds at present for a major project, another commission that we received,

[44] really, on the back of the Cultural Olympiad award that I mentioned previously. The artist who we work with has been invited by 14-18 NOW, which is the organisation probably most people would be aware of in regard to the poppies at the Tower of London. So, we've received a commission for 2018. It will be the commission for Wales. It's a £0.5 million project being heavily supported by 14-18 NOW and by the arts council. We don't have any fundraising capacity. Fortunately, there's a fundraiser in Cardiff who has

agreed to do this pro bono. So far, we've been turned down by the Garfield Western Foundation and we've been turned down by the Hinrichsen Foundation. We've still got a few more irons in the fire. We're very grateful to receive a grant from the Colwinston Charitable Trust—unusually, because the composer for this is Jóhann Jóhannsson, an Icelandic composer, and normally they don't support artists from outside of Wales, but, because of his prestige and the prestige of the project—. But, even for something that will be a national project, the kind of money that is available—. Because, again, it has to be very closely targeted, so finding the right charity or foundation for the right part of the project—.

[45] Rili, jest i ddweud yr un peth Really, just to say the same thing as
ag Andy: mae'n anodd dros ben. Andy: it's extremely difficult.

[46] **Dai Lloyd:** Wel, yn bellach i **Dai Lloyd:** Well, further to what
beth rydych chi wedi'i ddweud, pa you've said, what lessons, therefore,
wersi, felly, a ydych chi wedi dysgu have you learnt from the experience
o'r profiad o wneud cais am arian of applying for funding from trusts
oddi wrth sefydliadau ac and foundations?
ymddiriedolaethau?

[47] **Ms Crouch:** I suppose the biggest lesson is that, again, effort versus output is rather unbalanced, really, and getting more and more difficult. I think there's sometimes the perception that the arts and artists are very subsidy-dependent, but I think, actually, quite the opposite is true; they make very small amounts of money go a very long way. Again, I think one of the other challenges is that, if you're committed to access, actually, sometimes, the drive, if you like, to get money from different sources—and you'll come on to earned income, perhaps—sometimes can mitigate against the access commitment that we all share.

[48] **Mr Eagle:** If I may add in to that, I think a lot of the trusts and foundations that we would be applying to are in relation to project funding. The biggest challenge we have, as organisations, is core funding. The example I gave you earlier is the Esmée Fairbairn funding, which we've been creative in making some management charges within, which is all above board, and we have Fairburn happy, but we have to be very financially creative in order to make a contribution to our core costs, and that is the biggest challenge. So, whilst I think we need to improve the quality of applications from Wales and create, if you like, the structure to get more applications also going from Wales, I think we have to be realistic about what

those funds generally are for, and it's far more project-based, which is additional work, albeit good.

[49] **Ms Crouch:** I recall, in fact, in my role as chair of Creu Cymru, myself and the director met with Nick Capaldi fairly recently, and covered a number of subjects and one of those, of course, was the decline in lottery income and the impact that that is having on the ability of the arts council to support many things. I suggested—and I don't know how realistic this is, but it did seem to me to strike a chord—are there ways in which, collectively, the sector, the cultural sector or elements of the cultural sector, can work more closely and strategically with the arts council to try and raise funds from trusts and foundations? So, if we, collectively, agree, for example, that one of the things that we need to do is to support particular kinds of theatre in particular places or whatever, then, rather than that be a decision that the arts council makes and then a bit of funding is made available that is probably not quite enough for artists and companies to deliver it, if we agree that that is a good thing, that we actually somehow make a joint approach, combining our expertise and our resources and being able to make more powerful arguments. So, that's a conversation that we need to pick up again. I don't know how possible it is, but—.

[50] **Dai Lloyd:** Well, yn bellach at hynny ac ar gefn beth rydych chi newydd ei ddweud, sut fyddai unrhyw benderfyniad gan gyngor y celfyddydau i roi'r gorau i ddarparu cyllid craidd i'w sefydliadau yn effeithio ar eich gallu i wneud ceisiadau llwyddiannus, felly, i ymddiriedolaethau a sefydliadau? **Dai Lloyd:** Well, further to that, and following on from what you've just said, how would any decision by the arts council to withdraw its core funding of their organisations impact your ability to successfully apply for funding from trusts and foundations?

[51] **Mr Eagle:** In the case of Chapter, it would be extremely detrimental. One of the first things a trust or foundation will do is look at the level of core funding the organisation has, its sustainability, its long-term resilience. That all comes into the financial modelling they all do, but also it's an indication of value, of how local government or the city, or Wales full stop, values that particular arts organisation, and value is translated, often, into direct public support. So, yes, it would be enormously detrimental. I see very much us working with our public funding as very much a public-private partnership, which is common in all other areas of the economy.

10:00

[52] **Dai Lloyd:** Yes, true. That's fine.

[53] **Bethan Jenkins:** Okay. Neil Hamilton.

[54] **Neil Hamilton:** In the written evidence we received from Swansea University, there was an interesting point that there's an implicit tension between creative experimentation on the one hand and the desire to generate revenue. I think, in Taliesin's own evidence, you pointed out that a Pink Floyd tribute band would take more at the box office and in the bar than some new work or contemporary dance. So, could you perhaps expand upon this tension between these two things—on the one hand being creative and on the other hand needing to be money-conscious and a hard-nosed business-like approach being taken? And what does that mean for the potential for arts organisations in Wales?

[55] **Ms Crouch:** I think—. Again, I hope I explained it in the evidence, in that what drives, I think, all of us working in the arts is the impetus to actually offer and open windows of opportunity to the public and to artists. So, our role is as a facilitator to put brilliant ideas from artists and the public together in a professional space, whether it's a gallery or theatre. Of course, every time somebody makes a new piece of work, it's not known, it's never been seen before, it's never been heard, it's brand new. Generally, it works. Sometimes it works brilliantly. Sometimes it fails. But, actually, you don't know until you go and see it. You pretty much know what you're going to see when you go and see a game of football. There are certain rules and they might play well, they might play badly, but, you know, you score goals and that's what it's about—[*Laughter.*] I think.

[56] **Bethan Jenkins:** Oh God, you might be—

[57] **Ms Crouch:** Should I have used rugby as an example?

[58] **Bethan Jenkins:** It's lucky we're not the sport committee. [*Laughter.*]

[59] **Ms Crouch:** And, of course, Swansea are being incredible—.

[60] **Neil Hamilton:** Once you've seen one, you've seen them all. [*Laughter.*]

[61] **Ms Crouch:** But, yes, the arts is a risky business. I'm often asked, 'Why

can't you get bigger audiences for such and such a piece of drama? There's clearly a failure of marketing here. You're just not telling the right people the right things in enough quantities.' And I go, 'Well, actually, there is an audience and those audiences are making choices.' So, in the last few years, we've had the benefit of the live broadcast from the National Theatre, the Royal Opera House, the Met and so on, and it's demonstrated to me that I was right all along: actually, it isn't a failure of marketing; it's basically people making choices. And, unsurprisingly, people make choices based on the known. They know that if they go and see Benedict Cumberbatch in—

[62] **Mr Eagle:** Hamlet.

[63] **Ms Crouch:** —Hamlet—thank you—from the National Theatre, it's pretty much guaranteed to be excellent. If they go and see company X, it might not be because it's a new play or it's a new company doing a version of a text. So, people make choices. People are time-poor. Some people are cash-rich, but, actually, people make choices based on what's known.

[64] Again, children's theatre: I know that, if we put on a piece of children's theatre that is based on a popular children's book, there'll be no difficulty selling it. If, however, I put on an amazing piece of children's theatre, let's say by *Taking Flight*, one of the other Welsh companies—an absolutely beautiful piece of work—the audience will be much reduced, because you're taking a risk, and perhaps even more so when you're taking a risk on behalf of your children. You're taking your two kids to the theatre, you hope they're going to enjoy it, you hope they're going to behave, but, if they're bored, then you've wasted your money and perhaps put them off theatre. So, there are risks involved. Our job is to help bring those risks to the table, and I think the job of public subsidy is to ensure that, by doing that, we have a legacy of creativity in Wales. We wouldn't have seen, I don't know, *Pink Mist* by Owen Sheers. We wouldn't have seen *Under Milk Wood: An Opera*. We wouldn't have seen—. Give me some more examples.

[65] **Mr Eagle:** *Sugar Baby*, Dirty Protest.

[66] **Ms Crouch:** So, I'll leave the Grand Theatre to put on the Pink Floyd tribute bands, but I could just put on National Theatre wall to wall and not bother with things that may only bring in 50 or 100 people, but that's why we do it and that's why we subsidise it, because we've got great creativity, and we want to give people the opportunity to see that.

[67] **Mr Eagle:** And I think that creates the richness of the cultural offering in Wales. I think it's really important as well that we recognise that small ideas, at the very early creative stage, can actually become the commercial mainstream successes 10 years down the line. This is not a Welsh example, this is a US example, but *The Book of Mormon* started off as a tiny student production and now it's an internationally recognised, highly successful show. So, it's absolutely essential that we maintain that fabric and that investment and that pump-priming at the very beginning of ideas. Some of those ideas will work, some of them won't, but it's absolutely essential that we create the platform for artists to have those crazy ideas, and that relates to theatre, it relates to music, it relates to visual arts, it relates to all sectors.

[68] **Neil Hamilton:** As regards creating new audiences for new works, I appreciate that the fear of the unknown is a big barrier for you, but does the digital age come to your assistance here as well? Because you can create, through YouTube and other platforms, a shop window for yourself to show what they've missed, if they didn't go to see something, and what they might enjoy, therefore, if they came to see what you're planning to offer for the coming year.

[69] **Ms Crouch:** We tweet, we Facebook, we stream, we make trailers that we put on in front of the films that we screen that do sell out—all the ones with Judi Dench in. But, again, I think it's also about directing people—the traffic—to the work. People used to think, 'I've got a website. Job done', but of course there are a huge amount of messages out there, so again it's getting your message through all of the chatter. But, certainly, I think we all use all of those new digital tools to their fullest extent.

[70] **Mr Eagle:** Creative content is very much important—to drive creative content onto your website as much as your stages and your galleries. For example, our Experimentica festival, which was a performance art festival, last year we live streamed the majority of it, and we had people watching what we were doing from Lithuania, South Korea, the US, Canada, all over the place. That's a really interesting tool for getting the message of quality arts content from Wales out into the wider world, as well as that direct thing I quoted earlier—from the British Council platform, companies are now going on to get performances in other cities and towns. But that digital area is a really interesting area that I think is still relatively untapped, but one I think as a sector we are working and exploring.

[71] **Neil Hamilton:** On a different point, Film Cymru told us about their so-

called magnifier approach to increasing revenue by an early and systematic exploitation of the intellectual property potential of their assets. Is there much scope for expanding that, do you think, in your sector? I don't know to what extent back catalogues, for example, in music, and productions that are recorded, can be used in order to maximise your revenue. Not much, by the look of it.

[72] **Ms Crouch:** You're looking at my face, aren't you? [*Laughter.*] Again, I'd be interested to know the data on that, then. The back catalogue of Film Cymru isn't huge, and it's not incredibly high profile, with some notable exceptions. Colleagues, again, are going into production. A colleague who runs Theatr Mwldan in Cardigan is having great critical success in bringing together art forms—so, Catrin Finch combined with Seckou Keita. He set up his own recording and producing company, and touring and so on, and that is having critical acclaim, but actually financial return. Again, we're working on the margins, because once you get into that sort of arena, of course, you really are competing on a global stage, certainly with regard to film. So, again, it's effort—it's inputs versus outputs there, I think, which again would need to be looked at.

[73] **Mr Eagle:** And priorities, which comes back to the point Sybil was making about Pink Floyd. We could put on that sort of stuff, but actually there's also a ceiling on the amount of stuff like that you can put on. Our role is there to open the window and create opportunities for people to see lots of different things, so it's about balance in all that and also priorities. I go back to my point that the richness of our sector is because of the richness of the choices that are made by the various programmers and creative individuals and artists. That is of great value, but in a direct cash-return sense, my inclination and sense are that it would probably be a lot of time and effort, and not a lot of return.

[74] **Neil Hamilton:** In your evidence to us, you told us about the intended outcome of your new box-office system giving you greater understanding of your audience, and therefore better being able to turn that to financial advantage. Was this something that you developed entirely in-house, or did you have any outside assistance in this project? Would some form of outside assistance generally be useful in helping other organisations to do the same sort of thing that you've done?

[75] **Mr Eagle:** I think box-office systems are critical, and increasingly critical, because, as we know, we use our data to sell, but also to interpret

and show trends and all sort of stuff. Some venues—and I'll talk about venues because that's what I'm most familiar with—have good box-office systems and some don't, and I think it would be really positive if those ones that don't have good systems actually had one-off investment or were enabled to get up to speed. For example, the Wales Millennium Centre has probably the Rolls-Royce version—Tessitura—but it's a significant capital investment. If that system could be rolled out into other venues, maybe there could be a change in audience attendances and potential—. I don't expect it to be seismic, but it would be certainly a step in the right direction.

[76] **Ms Crouch:** I don't want to keep banging on about capacity, but I think there is also a case here as well. Ticketing and marketing systems are basically integrated systems, and depending on the sophistication of that system, they can give you lots of sophisticated data. And, of course, there are people whose whole profession then is advising you as to how you can use that data, segmenting the customer base into infinite numbers and often changing whether you're empty nesters or this, that and the other, and those categories change all the time depending on the fashion. But, again, and Tessitura I think is a good example, a very sophisticated system but sitting within a building that has very substantial capacity to be able to analyse that information, and then to make bespoke interventions, if you like, in terms of marketing using the data that they've got. Most organisations don't have the sophistication—. They might have the sophisticated system, but they actually don't have the capacity to be able to use it. So, capacity is everything. And, of course, that's only venues. So much of what goes on in the arts and so much of what public funding supports never gets near a ticket or a venue, and I'll give an example: we run a programme, and have for the last 10 years, a dance programme with six Communities First schools in our area—the same six schools for 10 years because we wanted to create a sustainable legacy. That is completely free for the schools. Two hundred young people take part in making a piece of dance, making a show together, and the learning that's associated with that. None of that is about marketing or raising income. Actually, all of it is about realising the benefit of the arts in terms of the futures of our young people. So, I wouldn't want us to focus too much, even though we're both from venues, on selling tickets.

[77] **Mr Eagle:** And I think it's about, it's not always an income generator or an income return; it's about confidence, it's about citizenship, it's about all those things that we want Wales to be in the future, and the arts contribute enormously to that. The creative schools programme that the arts council and Welsh Government set up is a good example of that intervention at a

very early stage as regards the power, if you like, of making people creative and opening up potentials in children's minds. And that creativity can go off not just in the arts—it can go off in science, engineering, whichever direction—but it's about making people creative, and that's what the arts are so strong at. That programme—the creative schools programme—is one to be celebrated. I will caveat that by saying it's top-sliced funding from lottery, which is diminishing, so there's less lottery funding available, if you like, for the core activities of the rest of the artistic community, and maybe some things that myself and Sybil are more directly involved in. So, great, positive on the one hand, but it creates challenges in other areas.

10:15

[78] **Neil Hamilton:** I suppose there is a peripheral marketing spin-off from that, inasmuch as you get kids enthused, you get their families to come and see them, and it may be, therefore, that you can add at least something to your audiences for the future.

[79] **Ms Crouch:** I wish—. I don't want to be controversial—oh, why not?—but we're talking about children coming from some of the most deprived communities in Wales, where parents often have to make a choice between eating and heating. And we've put our minds to how we can make that connection. But, actually, even if you make the tickets free for the events to get those parents to come, how do you then decide who is poor enough to have a free ticket? How do you pay for the transport for them to come? So, I hope that perhaps what we're doing is having more of a long-term effect in terms of the confidence of those young people to perhaps move into meaningful work, and to have good careers. I'd love it if their parents were coming to Taliesin, but, as I say, these are people who are often in very dire circumstances, who are visiting food banks.

[80] **Bethan Jenkins:** Diolch yn fawr am y cwestiynau hynny. Mae gen i gwestiynau ynghylch gwirfoddolwyr. Rwyf jest eisiau gofyn i chi faint ych chi'n dibynnu ar wirfoddolwyr. A oes gennych chi fas data ar yr hyn maen nhw'n gwneud? Faint ydych chi'n dibynnu arnyn nhw i wneud peth o'r gwaith efallai na fydddech yn ei roi i'r rheini sydd yn cael eu talu?

Bethan Jenkins: Thank you very much for those questions. I have questions about volunteering. I just wanted to ask you how much you depend upon volunteers. Do you have a database about what they do? How much do you depend upon them to undertake some of the work that you wouldn't give those who are paid by you?

[81] **Mr Eagle:** Chapter uses volunteers quite extensively. We have a team of about 100 volunteers, who, quite simply, act as our ushers, act as people to welcome audiences. From a business perspective, they've been of huge benefit, because, bluntly, I don't have to pay stewards. That's actually taken—. This is one of the hard decisions we had to make as an organisation—taking £60,000 out of our revenue costs because that I can then invest elsewhere. That said—and you can argue whether that is a positive, or a negative—the scheme, as it is, works extremely well, and we have 100 very loyal, very enthusiastic volunteers, who want to come and see the various films and theatre productions and exhibitions that we do and become, if you like, ambassadors for Chapter in the wider community. So, the direct benefits and results of that scheme are very positive for us, but I think we also have to be realistic as to why the driver of that volunteer implementation was made, and it was based around cost. I think we have to be quite straight about that.

[82] **Bethan Jenkins:** Sybil?

[83] **Ms Crouch:** Taliesin has one volunteer, an older gentleman with learning difficulties, who's a really valued member of our team. But if I could just speak briefly about the Egypt Centre—I don't think you're dealing with museums, but hey. The Egypt Centre is the Egyptian museum within Taliesin, and they have volunteers ranging from age eight up to 93. One of the big—. It obviously fulfils for them a very—. For the Egypt Centre, it's core, in terms of being able to continue to run an excellent education programme and to basically provide full access to the public. But I think it's also important, in terms of those volunteers, many of whom are people who are perhaps otherwise isolated, and who are coming into a circumstance of sociability and learning, and there's also a big role in terms of employability because we also have a number of young people and students from the university who volunteer and get a professional insight into how to look after a collection, how to run a public facility and so on. And, again, the key thing to make that successful is that we have a volunteer manager. So, it's important, I think, that volunteers aren't just managed as if they were professional staff with the same standards, but are also given back. So, there's a whole learning programme, training programme and support programme, so that, actually, there's recognition of the real value that those volunteers give to making that organisation, that facility, feasible.

[84] **Bethan Jenkins:** Diolch am [85] **Bethan Jenkins:** Thank you for

hynny. A jest symud ymlaen at fathau eraill o gymorth ariannol. Roeddech, Chapter, wedi dweud yn eich dystiolaeth ynglŷn ag angylion busnes—cael buddsoddiad a dim disgwyliad wedyn fod angen rhywbeth yn ôl i'r unigolion neu'r sefydliadau hynny. A allwch chi ehangu ar yr hyn roeddech yn dweud yn y dystiolaeth yn hynny o beth?

[86] **Mr Eagle:** Yes. I think one of the things that the arts sector can improve upon is that interface with, if you like, overt commercial thinking. The business angel model is particularly in relation to productions and getting people to invest at a very early stage that might take a return in 10 years' time—*The Book of Mormon* is an example of that sort of thing. So, we'd be very interested in gaining advice from other sectors. Maybe that's a role for the arts council in bringing different thinking to the table of how we, as the third sector, as the publicly subsidised sector, can actually think more externally about how perhaps we work with the private sector and the commercial sector. I think that is an area where—in our experiences, that's been quite illuminating and positive.

[87] At the moment, we're working with commercial developers in relation to looking up our specific site in relation to capital build in a way that maybe does not involve any public funding. So, it's that opening out of our sector into what else is out there beyond, if you like, the traditional forms of public investment. There, I think, is potential perhaps for a more team Wales approach in relation to how we get that expertise coming to us, because we're very open to listening to that, but it's not an area where we have expertise. It's something we want to find out more about.

[88] **Bethan Jenkins:** A ydych chi'n meddwl efallai bod siawns i Lywodraeth Cymru—os ydyn nhw'n mynd dramor i werthu busnes neu i wneud cysylltiadau â gwledydd eraill—siarad gyda busnesau sydd efallai ddim yn dangos diddordeb cynhenid yn y celfyddydau i ddechrau? Os bydden nhw'n dechrau

Bethan Jenkins: Do you think perhaps that there's an opportunity for the Welsh Government—when going overseas to sell business or to make connections with other countries—to talk to businesses that may not show an intrinsic interest in the arts initially? If they could perhaps start a discussion about the arts, they might

trafodaeth am y celfyddydau, bydden nhw'n gallu agor hynny lan. Yn fy mhrofiad i, mae lot o gwmnïau efallai jest ddim wedi cael unrhyw fath o drafodaeth gydag unrhyw un ynglŷn â'r ffaith eu bod yn gallu efallai rhoi i gelfyddydau. Rwy'n gwybod am fusnes yn fy ardal i sydd wedi rhoi arian i rywbeth celfyddydol, sydd byth wedi cael ei ofyn o'r blaen. A ydych chi wedi edrych ar bethau fel yna, fel eich bod chi'n gallu bod yn hapus gyda chi eich hun bod—? Er eich bod chi'n dweud nad ydych yn credu bod busnesau yn buddsoddi gymaint, a ydych chi wedi mynd ati i edrych dros y sbectrwm cyfan sydd yna er mwyn dod i'r casgliad hwnnw?

be able to open up those avenues. In my experience, many companies may not have had any kind of discussion with anyone about being able to perhaps donate money to the arts. I know, for example, a business in my region that has given money to an arts organisation and had simply not been asked to do so in the past. Have you looked at things like that, so that you could be happy in your own minds—? Although you say that perhaps businesses do not invest so much, could you say whether you have looked over the whole range or spectrum that is available to come to that conclusion?

[89] **Mr Eagle:** I think the answer is: probably not. I think that's—. That's where I suppose we would say we would like to have advice and to have those discussions with people in a better position than perhaps we are, as arts managers who are trying to do lots of different things created around our core activities, i.e. the art programme that we look after. So, I think we'd welcome those discussions with the Wales Chamber of Commerce, Finance Wales, wherever. I think that is an interesting platform for us, as a sector, to explore.

[90] Also, in relation to trade missions, I think one of the things that we can increasingly do is celebrate some of the great stories that we have with the arts in Wales. Myself, I've been invited to present Chapter in various countries because Chapter's seen as an extraordinary model of artistic, community success. That very modest investment right back early in the 1970s, in the form of the city council facilitating and giving the building to six artists back in 1971, has now rowed forward into an organisation that employs directly 120 people and has about another 150 working directly out of the building. So, as an example of investment, albeit in facilitation, Chapter is a great success story. That story garners interest in other countries. I've been invited to Singapore in December to present Chapter.

[91] That's an extraordinary success story for Wales. So, this model can be

used for regeneration of a particular part of the city of Cardiff, and the success it has created. Now, you could argue that's created gentrification and all the other problems that come with that later on down the line, but an example of the success of a very modest arts investment with a return, albeit a long time coming, is a very powerful story. So, I think if we are able to garner some of those great stories in trade missions and things, those are really powerful messages that Wales is at the forefront of, in the same way as the Creative Schools project is doing. You know, we're at the forefront of certain things. We should celebrate that.

[92] **Bethan Jenkins:** Okay.

[93] **Ms Crouch:** Just briefly to add I think we also need to be cognisant of issues around reciprocation as well, though. I think sometimes, you know, there has been an idea that, actually, we're taking the best out there to the world, which we often are, but I think, also, we need to be welcoming the best of the world here and to demonstrate that we are interested in the success stories there. Because I think that, actually, nothing plays better, if you like, in trying to tell your story, if you actually listen to somebody else's story. So, opportunities, I think, for the best stories to be heard in Wales. And, along that line, Members may be aware that British Dance Edition was held in Cardiff last year, which is an international showcase for contemporary dance. It brought promoters—basically, people buying dance—from all over the world to see the best that the UK and Wales could offer. I think perhaps more opportunities for that, which would also help to raise the profile of the arts amongst business in Wales, but also raise the profile externally, whether it's across the border or internationally, about the things that we can do—.

[94] I don't know if it was in your evidence, Andy—you know, we have more venues in Cardiff, I think, than many other cities. We have a lot to show off. We have a fantastic rural creative economy as well, and perhaps we could be doing more to showcase that, raise the profile and demonstrate, whether it's to high-worth individuals, or to business, or to international partners, the offer that we have. So, again, I think it's about taking a lead at a strategic level, and perhaps Welsh Government is very well placed to perhaps put the arts more at the heart of its international and national focus as well.

[95] **Mr Eagle:** If I could just add in very quickly to that, one of the great successes of Quebec, which I think we have parallels with in many ways, is their capacity to get their art work and companies seen internationally. There's effectively a public-private partnership that goes with agents they

have there. So, agents are funded directly by Quebec Government, not massively, but on a kind of keep-the-wolf-from-the-door basis, and then they're facilitated to get bookings for all their various clients, of which they then take fees. So, there's a very public-commercial partnership in operation, which I think we could explore on that basis. One of the things with Wales's offices around the world—the New York office, for example—what remit could they do in promoting Welsh companies, what remit, you know—? It's about creating capacity, but I do think the product, if you've got a good product—which I think we have in Wales—if we create the capacity behind it, I think there's an awful lot of traction and there is a lot of legs in it, to use the theatrical term.

[96] **Bethan Jenkins:** We've got a couple of minutes left, and Dawn Bowden.

[97] **Dawn Bowden:** Thank you, Chair. I think you've covered quite a lot of what I was going to ask you, but I wanted to just explore a little bit about some of the current initiatives and some of the ways forward, really. To what extent have you been involved in the arts council's resilience programme, either of you?

[98] **Mr Eagle:** We have been, yes.

[99] **Ms Crouch:** Yes.

[100] **Dawn Bowden:** And what have you been doing?

[101] **Mr Eagle:** We've been working with a kind of similar organisation, with the former chief exec of the Institute of Contemporary Arts in London. Chapter and the ICA, there are quite a lot of similarities—you know, visual arts programme, cinema programme, extensive education programmes, albeit on very different streets, Cowbridge Road and The Mall, but, nevertheless, parallels, and resilience, from my perspective, has been a very positive thing. She's acting almost like a critical friend and an endorser, if you like, and a peer, because I'm saying, 'Do I need to do this?', and she's saying, 'Yes, absolutely; that's what we did, and these were the examples we came with'. So, some of the problems that we have as an organisation they had six years ago, so I'm speaking to a like-minded individual, and that's a very positive position for me personally. I can't comment on other resilience engagements or other companies, but, from our perspective, it's been positive.

[102] **Dawn Bowden:** It's been helpful, yes. So, you're not alone.

[103] **Ms Crouch:** No. [*Inaudible.*]

10:30

[104] **Dawn Bowden:** One of the things I did want to pick up on: you talked, Sybil, particularly about capacity, particularly around fundraising and so on. Have you thought about how sharing fundraising staff between organisations might work—that kind of ties into your team Wales approach, as one aspect of that—whether you could all kind of get together and decide that you could help each other fundraise, or is there too much competition in the sector to do that?

[105] **Ms Crouch:** That's an interesting one. I think maybe there are ways of pooling resources in order to employ people whose time then is distributed, but, again, I think that there could be some conflict there, but I think it's certainly worth exploring. I think it would have to be about paying for an additional resource, but perhaps sharing the costs of that as opposed to having a resource of which you give a bit to somebody else. I mean, who knows how much—. There are obviously—. The Wales Millennium Centre is perhaps, alongside Welsh National Opera, the biggest arts organisation. I suspect that their response would be, 'Ooh, we're already stretched'. So, I think buying additional resource collectively, but I think you raise a good question about—

[106] **Dawn Bowden:** For smaller organisations in particular, I think, we were looking at. Because I think it was something that Theatr na nÓg had suggested—that there could be a capacity review of fundraising ability. That might be one way of doing it.

[107] The other thing I just wanted to ask you, briefly: you obviously know that the Welsh Government's planning to set up Creative Wales, and its objective is to try to help develop organisations with their fundraising activities, their non-public fundraising activities. What do you think is the realistic potential for Creative Wales to assist organisations in that respect?

[108] **Mr Eagle:** I think the sector we're in is the creative industries as much as whatever is being targeted by Creative Wales. I think we're all the creative industries: tv is a creative industry, somebody making pottery is a creative industry. I think I would challenge, if you like, from what you're saying, the

set-up of Creative Wales, actually, because I think actually there's a role there for the Arts Council of Wales to be involved more directly there in that particular area. Because, for me, it's all the creative industries.

[109] And, actually, interesting art is created when there are collisions between different art forms from different practitioners, and that is one of the things that's, if you like, celebrated within an organisation like Chapter, because you do get a volume of people from all different areas of activity colliding and saying, 'Okay, I need lighting, so I'll have a chat with them over there.' I think if we push people apart, actually, we create less interesting art, so I think there's an argument for bringing it all together.

[110] **Dawn Bowden:** Pulling it all together, and doing that thing you were talking about in terms of raising the profile as well, presumably.

[111] **Mr Eagle:** Yes, absolutely. Absolutely.

[112] **Ms Crouch:** I think that's the case. There aren't two separate things. Often, of course, there is a progression, when people are beginning their careers, if you like, within the subsidised sector, but they're then moving through that into what you might call a more industrial environment, in terms of commercial and so on. It's very often the arts where there is public investment—and I think that's a better word than 'subsidy'—that is actually the seed bed and the growth, if you like. That's where the creative individuals are grown, which are then moving into the more commercial elements. So, having them as separate parts of the system, I think, is perhaps difficult. And, of course, we've been there before.

[113] The creative industries, I think, have been a Welsh Government strategic priority in terms of economic development for many years, as it is for the city and county of Swansea. I think what we've grappled with is, actually, how do you support that, and I think part of the problem is because it has been seen as somehow a separate part of the cultural sector, as opposed to a seamless whole. So, lots more joining up, I think.

[114] **Mr Eagle:** In the case of Chapter, we are a creative cluster because we have 32 companies based within our footprint. Those companies range from design companies to an architect's practice to film companies to animation companies. That interesting mass, if you like, is an area that is relatively untapped and I think is exciting. It's not creating barriers, it's about actually bringing perceived disparate activities and players together to create more

interesting things. I would bring it all together under one roof, because, for me, it's all creative industries.

[115] **Ms Crouch:** Michael Sheen wouldn't be where he was if it wasn't for a youth theatre company that was actually started by a local authority 40 years ago.

[116] **Dawn Bowden:** Could I just ask you—? This may be a slightly controversial and maybe an unfair question, but do you think—to use your term—public funding, as opposed to subsidy, has in any way stifled innovation in terms of how you find other forms of funding?

[117] **Ms Crouch:** I think there aren't enough artists starving in garrets these days. If there were more of those—[*Laughter.*] Sorry. No, absolutely the contrary, really. I think we all want to see people being properly paid for their efforts. I think the creative sector is—again, research shows—generally very poorly paid. In fact, we're talking—. Your inquiry, I suspect, is pretty much exclusively about organisations, but if you look at all the individual artists, composers, writers and whatever, they probably, many of them, would never get a penny of public investment. Occasionally they will get a commission. John Metcalf, who's a well-recognised and esteemed classical composer, struggles financially all of the time. He struggles from one small commission to another one, and yet he is probably one of our foremost composers in Wales. So, I think, probably, yes—no.

<p>[118] Bethan Jenkins: Mae'n rhaid i ni ddod â'r sesiwn i ben nawr. Diolch yn fawr iawn i chi am ddod i mewn yma heddiw. Byddwn ni'n cysylltu â chi gyda'r hyn sydd yn digwydd gyda'r adroddiad, ond diolch yn fawr iawn am ddod i mewn atom heddiw. Bydd yna seibiant o gwpwl o funudau cyn symud ymlaen. Diolch.</p>	<p>Bethan Jenkins: We have to bring this session to a conclusion now. Thank you very much for coming in here this morning. We will be contacting you with updates about what is happening with the report. Thank you for coming in. We'll take a break for a couple of minutes before moving on. Thank you.</p>
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*Gohiriwyd y cyfarfod rhwng 10:36 a 10:44.
The meeting was adjourned between 10:36 and 10:44.*

**Cyllid Heblaw Cyllid Cyhoeddus ar gyfer y Celfyddydau: Sesiwn
Dystiolaeth 4
Non-public Funding of the Arts: Evidence Session 4**

[119] **Bethan Jenkins:** Rydym ni'n symud ymlaen yn awr at eitem 3, cyllid heblaw cyllid cyhoeddus ar gyfer y celfyddydau—sesiwn dystiolaeth 4. Croeso i Rachel Jones, prif weithredwr Celfyddydau a Busnes Cymru, ac i Emma Goad, sef rheolwr Blue Canary Fundraising. Diolch i chi am ddod. Rydw i'n credu eich bod chi'n deall sut rydym ni'n gweithredu, ond bydd themâu gwahanol o gwestiynau, felly os mae'n iawn, fe fyddwn ni'n mynd yn syth i mewn i gwestiynau. Mae Suzy Davies yn cychwyn ar ein rhan.

Bethan Jenkins: We will move on now to item 3, non-public funding of the arts—evidence session 4. Welcome to Rachel Jones, the chief executive of Arts & Business Cymru, and Emma Goad, the manager of Blue Canary Fundraising. Thank you for coming. I think that you do understand how we operate, but there will be various themes of questioning, so if it's all right with you, we will proceed directly to our questions. Suzy Davies will begin for us.

[120] **Suzy Davies:** Hello and welcome, both. Obviously you're different organisations but both with a similar duty in the sense that you're occupying the space of non-public fundraising for the arts. Do you want to tell us how that's changed in the recent past—or maybe not-so-recent past? I don't know; I haven't been involved.

10:45

[121] **Ms Jones:** In terms of business it's changed hugely. I've been involved with Arts & Business Cymru for 21 years and when I first joined the organisation, it was very much businesses paying a lot of money for branding, for logos and corporate hospitality and it was great—and it was easy. These days, businesses just can't afford to do that and they want a lot more bang for their bucks and they want to develop more sustainable partnerships with the arts that actually address bottom-line objectives and messaging. So, a lot of our businesses partner the arts to get messages across in a more effective way than maybe advertising would.

[122] **Suzy Davies:** So there's a sort of corporate social side of things, or is it just non-direct advertising?

[123] **Ms Jones:** That comes into it. For example, Wales and West Utilities, Cardiff Harbour Authority, Milford Haven port authority—they all work with us on health and safety messaging for children, but through the arts, because they found that other ways of messaging don't get the message across properly. But the biggest driver in Wales of art support for business has always been corporate social responsibility; has always been engaging effectively with the community, and being good neighbours in the community. In the rest of the UK, it's not so strong. It historically hasn't been such a big driver, but it's remained constant in Wales; businesses want to be good neighbours in the communities they operate in.

[124] **Suzy Davies:** Thank you.

[125] **Ms Goad:** I think, broadly speaking, fundraising for the arts in Wales is developing and it's developing slowly. I think there's been a real history—. I mean, I've been a fundraiser for 15 years, and before I set up Blue Canary I was at the Sherman for 10 years. I think it's moving slowly. I think organisations are realising that they can't have the reliance on public sector funding as much as they're used to and I think there's a historical battle that organisations go through to reduce that reliance. I think, obviously, the larger, more established organisations that have full development teams are coping with that much better, and have the capacity and the resources to be able to broaden those income streams. Small organisations based in rural Wales struggle, obviously. Sybil and Andy both talked about capacity, and capacity, I think, is a word you'll probably hear over and over again, and it's certainly a word I hear a lot about.

[126] So, I think it is changing, and I think, from the work that I've been doing recently talking to trusts and foundations in London, for instance, they are seeing a development of quality of applications. They're still not seeing the quantity of applications from Wales that they would like to see, but the quality is starting to improve. Fundraising from the private sector is a very different skill to public sector funding. You're having to look at projects in a very different way, and arts organisations who have been around a long time who are used to talking about their work in a particular way struggle then to shift that focus and talk about things in a more beneficiary or outcome-led way, which is what trust and foundations are looking for. In a way, it's what businesses are looking for, and it's also what individuals are looking for as well, although they have a slightly different relationship because they're supporting the arts because they want to, because they feel an empathy towards the arts in some way or another. But it is changing. It's not changing

as quickly as England is. It's slow; it's a really slow, slow change.

[127] **Suzy Davies:** Well, can I ask you—? You've answered one of my other questions, but you mentioned about messaging and about how businesses are involved from the outcomes angle. You mentioned in your evidence, I think, that there's a growing demand within companies, generally, for arts-based training for staff. Can you tell us a little bit more about this? How much are they willing to pay for it?

[128] **Ms Jones:** Basically, it was a real trend of about 10 years ago to use the values, the skills, the techniques of the arts and transfer them into the business workplace, to address the softer skills that quite often business don't address in their staff development, or don't know how to address effectively—so, you know, the kind of skills based around communication, customer care, team work, creative thinking. And then it went really quiet for a few years and we didn't have demand, but suddenly, in the last couple of months, our business members are coming to us and asking for more projects that address cross-team working, that address customer care, that address communication skills and confidence building through the arts. These things go in kind of peaks and troughs, and it's a real trend of the moment. It tends to come from businesses' training budget, which is different to their marketing or community engagement budget. So, we're always trying to push the arts into all the budgets. [*Laughter.*]

[129] **Suzy Davies:** But the demand can be met across different art sectors; it doesn't have to be the big boys and girls that do it—

[130] **Ms Jones:** No, and, it's often not those. It's often the more—. Sometimes, the feeling is that the big arts organisations are the ones that can cope with fundraising and things, and to a certain extent, I absolutely agree with that, because they've got the development departments and the skilled fundraisers. But some of the smaller and mid-scale organisations that we work with, we find that they're used to being much more flexible and creative, so—

[131] **Suzy Davies:** Are they asking for enough money?

[132] **Ms Jones:** Well, we try to encourage them to, yes. [*Laughter.*]

[133] **Suzy Davies:** Well, you know, they're not used to it. That was the purpose behind my question.

[134] **Ms Jones:** Yes, absolutely, and, mind you, that building in of core costs to project funding for lottery and things is something that the arts is used to doing anyway, so the whole kind of delivery area is something that they have, historically, been used to doing. And we encourage them to keep doing that—the core costs have got to come from somewhere.

[135] **Suzy Davies:** Well, we'll be talking about resilience later on. I just thought it was unusual that, actually, it's flipped around.

[136] **Ms Jones:** It has.

[137] **Suzy Davies:** We won't talk about resilience now, if that's okay. Somebody else has got questions on that.

[138] **Ms Jones:** Yes, absolutely.

[139] **Bethan Jenkins:** Okay. Jeremy Miles.

[140] **Jeremy Miles:** Thank you. Arts & Business Cymru has expanded recently into seeking individual giving, if you like. Could you explain what that's meant in practice in terms of what you do?

[141] **Ms Jones:** Yes, certainly. We've been promoting individual philanthropy of the arts in terms of major gifts for a while through our annual awards ceremony. Because each year, we reward a philanthropist for what they've done for the arts, so we're trying to get the message out. We also provide training courses for the arts in, not just major gifts, but friend schemes, and that kind of thing, and the individual giving, like I think Sybil was talking about—you know, the ticketing and adding a bit more on. So, there are all scales of individual giving.

[142] At our awards this year, the philanthropist that we chose to reward has a real desire to give a lot less money to London and a lot more to Wales, and wants to work on very specific projects that benefit Wales, and he already supports a range of organisations in the community, like the Tredegar Town Band and Only Boys Aloud, Tredegar—he's got Tredegar roots, as you can tell. [*Laughter.*] But he genuinely wants—. We're working with him on a project that he wants to enable that is all about giving free music tuition to children who are living in poverty across Wales. So, we're at the beginnings of it. I find it a very different fundraising skill. I'm very used

to fundraising from business, and that's a very straightforward business deal, and, to a certain extent, so is trusts—this is what they want, this is how you're going to deliver it. Individuals are all about their own passions and making the ask is a bit more difficult.

[143] **Jeremy Miles:** Okay. Let's stay on that, because that's very important, isn't it? Obviously, there is a programme—creative internships and so on—which is about building capacity for fundraising in organisations, but you identified in your evidence, and you've repeated it now, that seeking individual donations or gifts is a different beast, if you like.

[144] **Ms Jones:** Yes.

[145] **Jeremy Miles:** There's obviously a different skill set attached to that, which you may not need to go into now, but in terms of the resource element of that, even if you've got—back to capacity—somebody who has been trained up to do it, if you like, what are you looking at in terms of volume of time? I understand there'll be a range, but how much more time does it take, if you like, to get an individual donation than to get a successful application to a trust?

[146] **Ms Jones:** They say the average gift, from meeting the individual to actually getting the money is about three years, whereas, with a trust, they will have set guidelines. Not all of them are—. Colwinston Charitable Trust—they make their decisions twice a year. Garfield Weston Foundation—you can submit any time of the year and they'll tell you within a few months. Business sets its budget just before its financial year—you know, it's much quicker. But, of course, with individuals, it's all about growing a relationship and building that trust in a much more personal way, so it tends to take a lot longer.

[147] **Jeremy Miles:** Okay.

[148] **Bethan Jenkins:** Emma, did you have anything to add, there?

[149] **Ms Goad:** Yes. I agree with Rachel, I think individual giving is a different beast I think, and fundraising is all about communication and relationships, whichever route you're going down, because what you're doing is enthusing that person about that particular project or that organisation, and asking them to invest, and whether that's a business or whether it's a trust that's against priorities, or whether it's against an individual and their

particular passion for Tredegar or whatever, it's the same. It's about relationship building. But individuals do take time and it takes time to court, it takes time to build up those relationships, and it takes time to reach those figures as well that become a sustainable source of income for organisations.

[150] I think a lot of organisations have grass-roots membership schemes or friend schemes or ticket donations, which bring in modest amounts of money, but one of the things Sybil was talking about earlier with the ticket donations—. One of the things that she didn't say, which I thought she was going to, and then she didn't, was, actually, that's also about developing your pool of donors, because if you're identifying people who are happy to give £2, £3 in addition to their ticket, you can go, 'Actually, these people, we're having a different relationship with. So, we start talking to them in a different way', and then you start identifying. Individual giving is like a triangle, so you start with a lot of people giving a small amount, and work your way up to your major donors, and that takes a long time.

[151] **Jeremy Miles:** Thank you for that, that's very helpful. Can I just broaden it out a little bit? You'll have heard me asking both Sybil and Andy about the potential, in the context of messaging, if you like, which Suzy also mentioned, to high net worth individuals and those who might live overseas, or might be living in London, for example, or other parts of the UK. Do you feel that, with a better identification of who those might be, just to put it simply, and where they are, that there is then the capacity to actually make use of that?

[152] **Ms Goad:** You would like to think so, wouldn't you?

[153] **Jeremy Miles:** Well, we heard earlier that there might not be on an individual organisation basis, but I'd be interested in your thoughts on that.

[154] **Ms Goad:** Again, Andy and Sybil talked a lot about working together as a sector, and I think we need to do more of that. One thing—it doesn't totally answer your question, apologies—that I want to say is that I think arts organisations, generally, are very bad about messaging about what we do really, really well. As creative organisations, we're very creative behind the rehearsal studio door, but then, when it comes to shouting about what we do and the value of the arts, I think we need to push that. So, I think if there was some identification of who these people were, it might be a nudge in the right direction, but then there's a lot of other work that organisations and the sector need to do together about how we message, how we talk about

the work, and then how we talk to those individuals about the work.

[155] **Jeremy Miles:** Sorry, but on this question of the time it takes, let's say, to get—. Let's say you've identified a potential donor living in, I don't know, Los Angeles, who is from Neath. If you're an organisation in Neath who wants to access that, you're still looking at the three years it takes you to build up that relationship, aren't you? You're starting from the base of knowing who you are speaking to, but, actually, apart from that, you're still spending a huge amount of time developing a relationship.

[156] **Ms Goad:** Yes.

[157] **Ms Jones:** I also think that there's another issue in terms of building a pool of these other donors, in that a lot of these donors want to remain anonymous. So, in terms of the biggest skill—and I think this is why capacity is an issue, because you need more senior fundraisers to court major donors than you do to fill out trust applications and deal with trust funders, in my opinion. I don't know how willing the philanthropists would be to be identified. Some would—some like the glory—but not all, and some of the most generous people are very quiet about what they do—

[158] **Ms Goad:** Particularly those high net worth individuals.

[159] **Jeremy Miles:** Okay. So, taking that point, is there a way in which working on a more collaborative basis between organisations on a geographic footprint, or, perhaps, in a differently organised thematic footprint—does that then offer the potential or more potential to tap into that opportunity? Or is that an unrealistic expectation?

[160] **Ms Goad:** I don't think it's an unrealistic expectation. I don't think we're at a point where that sort of shared working—. I don't think we're there yet—

[161] **Jeremy Miles:** Well, you both advocate the need for a kind of shared fundraising, so I'm just wondering whether this is a form of that.

[162] **Ms Goad:** Absolutely.

[163] **Ms Jones:** Yes, absolutely, and I think that level of trust has got to be established between organisations, so that—. It's 'Let's work together and we'll all benefit', rather than trying keep what you do separate.

11:00

[164] **Ms Goad:** We're bigger than the sum of our parts in that way.

[165] **Ms Jones:** Yes.

[166] **Jeremy Miles:** So, you're funding a portfolio, perhaps, are you, or are you still thinking that you'd fund individual projects and organisations?

[167] **Ms Goad:** It's tricky again, because I think, coming at it from the philanthropists' point of view, it might be that they've got a geographical interest, and that's great, but they may have a very specific art form interest or a specific project interest, and then that starts—. Fundraising is all about them, it's not about us.

[168] **Jeremy Miles:** It's tailored.

[169] **Ms Goad:** It's tailored to what they're wanting to invest in. So, it's quite difficult to predict that.

[170] **Ms Jones:** But you can still come together. There's a philanthropist we're working with at the moment and his specific interest area is music, because he is a classical musician, but he already funds in Wales quite a few organisations, and that goes from Tredegar Town Band to the Royal Welsh College of Music and Drama, and we're all talking and we're all working together—and we want to bring a lot more organisations—to try to do something that's quite big for Wales, that isn't one organisation trying to go off and do its own thing, that's much more—. But then people start going, 'Well, hang on, why haven't you talked to me about this yet?', because—

[171] **Jeremy Miles:** You are making the judgments, effectively, as to who you speak to.

[172] **Ms Jones:** Yes, absolutely. So I think the culture of working together and the trust—and that goes from sharing fundraising capacity and on from there. But I've been surprised at the resistance of organisations when we say, 'This fundraiser can work for you two days a week and you three days a week.' They're like, 'Hang on: confidentiality, trust', but when they start doing it, they realise that, actually, it's good, it's beneficial to both organisations to share the fundraiser.

[173] **Ms Goad:** And I think also that project has come about through the relationship that you have with the philanthropist and other organisations have, so there's been a lot of work to get to that point there.

[174] **Bethan Jenkins:** Suzy has a question on this specific point.

[175] **Suzy Davies:** It's just to clarify, actually. So, effectively, you are saying that, in order to get individuals to contribute, particularly bigger sums of money, they're not interested in 'brand Wales arts' at all, they're interested in something very specific that matters to them.

[176] **Ms Goad:** Yes.

[177] **Ms Jones:** It will be their personal passions.

[178] **Ms Goad:** It's very personal, absolutely.

[179] **Ms Jones:** Whatever those passions are.

[180] **Suzy Davies:** Okay, thank you.

[181] **Bethan Jenkins:** I think there was something you said earlier, and I just wanted to ask a question, Rachel, about, for example, high-profile people in Wales who have nothing to do with fundraising but might have the skills to enter conversations. Is that something you're actively exploring, or is that something that's still a pool untapped? Say somebody is an adviser to the Government on science, they may then have friends who are able to open doors to give money for the arts.

[182] **Ms Jones:** Absolutely.

[183] **Ms Goad:** Absolutely.

[184] **Bethan Jenkins:** Is that something that you—.

[185] **Ms Jones:** Yes, and we're always trying to do that, particularly in Arts & Business for senior businesspeople and see who their networks are. And quite often, if they've bought into Arts & Business or an arts organisation in particular, they will then be very passionate to their friends and to their networks about that organisation.

[186] **Bethan Jenkins:** But is that structured, or is that ad hoc?

[187] **Ms Jones:** That's ad hoc. But I think there's huge potential for that—

[188] **Bethan Jenkins:** To become more structured or to just try to carry on?

[189] **Ms Jones:** To become more focused about it and more structured about it. It all takes time, that's the trouble, and again we go to capacity—boring, but you know. We sometimes do things like we say to our supporters when we're doing an event, 'Bring a friend you think would be interested.' It's a very basic way of doing it, but those kind of things, quite often, can result in something good, because it's not you telling somebody that you're good, it's somebody else telling them.

[190] **Bethan Jenkins:** Okay. Dai Lloyd.

[191] **Dai Lloyd:** Diolch, Gadeirydd. Rwy'n troi rŵan at arian oddi wrth sefydliadau ac ymddiriedolaethau, ac rwy'n gwybod, wrth gwrs, eich bod wedi sôn ychydig am hwn eisoes, ond rwy'n mynd ar ôl eich tystiolaeth chi, Rachel, a oedd yn dweud bod ymddiriedolaethau yn Llundain yn awyddus i fuddsoddi yng Nghymru yn aml, ond bod nifer ac ansawdd y ceisiadau yn parhau yn isel. Nawr, rwy'n clywed beth rydych chi'n ei ddweud, bod pethau wedi gwella yn ddiweddar, ond beth ydych chi'n ei wneud, felly, i annog bod ansawdd ceisiadau yn gwella yn eu nifer ac yn eu hansawdd.

Dai Lloyd: Thank you, Chair. I'll turn now to funding from foundations and trusts, and I know that you have talked a little about this already, but I'd like to follow up on your evidence, Rachel, where you said that trusts in London were eager to invest in Wales but that the number and quality of applications remain low. Now, I heard what you said about how things have improved recently, but what are you doing, therefore, to encourage the quality of applications to improve in terms of quantity and also quality.

[192] **Ms Jones:** Well, all our training is based around putting arts managers in a position where they can confidently go out and they've got the skills to fundraise effectively. Our creative internships programme, which I know has been mentioned a lot throughout this inquiry, has played a major role in that. Actually, the feedback that we've had from the trusts that fund the creative internships programme was that, when an Arts & Business intern applies to

them, you can tell straight away the quality has gone up. Arts & Business is holding a trusts symposium at the end of November too, and that will include some Wales-based trusts and two London-based trusts. I called the Foyle Foundation the other day—and we were talking about it, weren't we, that, the amount they distribute, only 2 per cent comes into Wales. I asked them a direct question, 'Do you want to do more in Wales?' And they said, 'Absolutely. Definitely.' So, we're hoping that they will contribute. Garfield Weston is going to contribute, as well as the Welsh Lottery, which is contributing—the new Welsh Lottery, Hanfod, and Colwinston. These people are going to come along and tell the arts organisations: 'This is what makes a good application. This is what would make us put your application in the bin', and be really straightforward and direct about how they like to be approached and worked with. But I think it's not just down to the application. It's down to the trust judging that that organisation has got the capacity to deliver what they are asking for the money for as well.

[193] **Ms Goad:** I think the application is just part of that whole approach, if you like. Working towards a trust and foundation application starts right back at the beginning of a project plan, and, really, trusts and foundations want to understand what the need is for that work, what will change because of that work, who will benefit from that work, where it is taking place. Actually, the actual work—sixteen people will have a workshop, blah, blah blah—is sort of—. It's not insignificant, but it's not what they are looking for. They go, 'Okay, so you're the arts organisation'—or the heritage organisation—'you know what's going to get you to that point. What we want to know is how this will change.' I think that's the difference that people are finding. I think that accounts for some of the low figures from trusts and foundations, particularly in London. Capacity is another thing. Knowledge and experience is another thing. Time, resource—it's all there, and a lot of my work—. People call me a consultant and I kind of go, 'Ooh, no; I hate the word "consultant"', because I think I'm there to support organisations.

[194] There's no point in me writing an application, because what I'm trying to do is encourage, train and mentor organisations to do it themselves, and also to develop those relationships with trusts and foundations. I can pick up the phone to Esmée Fairbairn, Garfield Weston, and have a conversation with them, but that's not helping the organisation I'm working with. So, it's about encouraging them to start developing their pull. In the same way that they have developed a relationship with the arts council or other funders, it's all about that now.

[195] **Ms Jones:** I would say that trusts, of all the private sector funders, are the most accessible as well. They are the ones that they've got their number that you can phone on their website, and you can phone and have an initial chat with them.

[196] **Dai Lloyd:** Good. Okay.

[197] **Bethan Jenkins:** Can I just ask quickly—? You said you were having a symposium in November. We had evidence from the arts council, or people who'd engaged in an arts council one recently. Are these different trusts or foundations to the ones that the arts council—?

[198] **Ms Jones:** No. Arts & Business delivered that for the arts council, on behalf of them.

[199] **Bethan Jenkins:** Oh, you delivered that for them. So, it's not—. What I was conscious of—. I didn't want it to be a duplication or whether it was—

[200] **Ms Jones:** No.

[201] **Bethan Jenkins:** So, it's another one that you are delivering on their behalf.

[202] **Ms Jones:** Yes. It was off the back of the success of that one, which was two years ago. It involved four London trusts, and the Welsh Government was involved, as well as the arts council, but we—Arts & Business—delivered it and got everybody there and things. So, off the back of that, the demand for that has made us do another one, but we are doing it at Hodge Foundation, which is one of our major trust supporters in Wales, which actually is where there's huge potential for the arts in Wales.

[203] **Bethan Jenkins:** Okay. Cool. Neil Hamilton.

[204] **Neil Hamilton:** Is there anything in the assertion by Film Cymru that there's scope for increasing the revenue for arts organisations from an early and systematic exploitation of intellectual property? You may have heard me ask this question earlier on, to which the answer from Sybil was, 'no', effectively. [*Laughter.*] But I don't know to what extent there is scope for exploitation of either existing or incipient intellectual property in this way.

[205] **Ms Goad:** I don't know either what the capacity is, and I'm not quite

sure of the context in which Film Cymru have mentioned it—or to the extent of that sharing. I think—. I don't know, actually. I'm not sure.

[206] **Ms Jones:** It's an area that I think would be good to explore, with somebody who's an expert in that area.

[207] **Neil Hamilton:** You can see this with big, national companies, of course, but it's rather more difficult to see how this could be a factor for any smaller—and community arts projects even more so.

[208] **Ms Jones:** I'd be interested to hear from Film Cymru more about what mean.

[209] **Ms Goad:** Yes, I think so too. I think—and I'm not sure whether this is the same or not, but I think arts organisations need to be much better at looking at our assets and looking at what we have, rather than what we haven't, because I think that's a big issue, that, actually, we concentrate so much on the negative and concentrate on what we haven't got, rather than actually what we have got, and therefore what other people want, and what we can offer, and work with those organisations in terms of that sharing of assets and intellectual property. But I'm not sure whether that's the same as the work that Film Cymru is thinking about or not.

[210] **Ms Jones:** No, that's more kind of earned income, isn't it, and I think we don't exploit that enough in the arts.

[211] **Neil Hamilton:** Another point I'd like to explore—and this goes back to what you were saying about collaboration between different factions of the arts world—the arts council says, in its evidence to us, that

[212] 'there are a number of ways that more co-ordinated support could be given to companies and micro companies (often creative professionals) to grow new international markets'.

[213] So, I wonder whether you agree with this analysis. We were talking earlier on about high net worth individuals who might have Welsh connections but live abroad. We've had evidence before in relation to trade missions. For example, sending out the Welsh National Opera or something like that will help to perhaps create financial spin-offs for the arts in Wales. What's the scope for more co-ordinated activity in this way?

[214] **Ms Jones:** Who would be co-ordinating it? Would that be the arts council or—?

[215] **Neil Hamilton:** Well, I don't know. You, possibly.

[216] **Ms Jones:** Yes, we'll do it. [*Laughter.*]

[217] **Ms Goad:** I think the British Council in Wales is doing a lot to float that work, to bring people together, and, certainly, India has been a priority, and taking a variety of different artists and arts organisations out to India to meet people, and, you know, the reciprocal as well, bringing people here. So, I think there is some of that work happening. Again, like with anything, and I think the international market is one of them, I think the more we do as a sector, together, the stronger we are, and I think that's the important thing.

[218] **Ms Jones:** It's going back to brand Wales that you were discussing, I think.

[219] **Ms Goad:** And I think, again, we come back to that terrible 'C' word of capacity. There's no surprise that WNO and some of the bigger organisations are able to delve into that international market, whereas some of the smaller organisations just aren't. I'm working with Ensemble Cymru up in Bangor, and they're desperate to reach into the international market and see real positivity there, but, actually, the likelihood of them being able to physically do it within the next five years is pretty slim because of the capacity that they have.

[220] **Ms Jones:** Though I think that the work that Hijinx is doing internationally, and NoFit State Circus, and how they've turned themselves around over the last 10 years and been so successful with their international touring—I think those two are a great model for the not the national companies, the smaller companies, that actually it is possible if you've got the right contacts and if you've got the right energy.

[221] **Neil Hamilton:** Right. Thank you.

[222] **Bethan Jenkins:** We talked earlier about businesses and people who might be influential that you could tap into, but do you have a list of—I'll use the word 'immigrant' in a good way—people who have set up businesses, who've come from abroad to live here, who may have those inherent links already with other countries that you may not know about, but they're

already working with them, but it's a way of trying to tap into new areas and new countries without, perhaps, going on trade missions? They're already in this country, they've already set up businesses here, but they're not being talked to or about in relation to how they could—. Probably, I'm talking about small and medium-sized enterprises. I'm just wondering whether you've thought about that at all.

[223] **Ms Jones:** No. I suppose it would be more likely for us to get international links with companies that have a Welsh base but also bases internationally, like Valero, for example, in Pembrokeshire; Texas is their head office. And Admiral work globally now. Those kinds of businesses we'd be more likely to, I think, pursue for international links. I'm not aware of many of our business members that are as you described.

11:15

[224] **Bethan Jenkins:** Okay. I know of some so if I can talk to you about it another time—.

[225] **Ms Jones:** Great, yes.

[226] **Bethan Jenkins:** I just wanted to ask about other forms of looking at fundraising—social bonds, the business angel concept that Chapter was saying we need to develop, or any other innovative ways of potentially fundraising.

[227] **Ms Goad:** I think arts organisations need to consistently be innovative in their approaches. I think, again, it goes back to—. For me, it goes back to looking at what we've got and looking at our assets, because every arts organisation is different. They all work in a different way, they have different priorities, they appeal to a different community or a different group of people. Innovation starts with that, and it's about what we can do to encourage those arts organisations to really develop what is actually going to be quite natural for them but looking at it in a different way.

[228] Frân Wen up in north Wales is a case in point—a very small old theatre in education company now working in a variety of different contexts. When they lost their Arts Council of Wales funding they struggled, obviously, but they started to work in a different way and one of the things that they've started to do is to build up relationships with businesses, but not in a sponsorship way. Businesses now come to them to commission them for

work. So, although it's not at the heart of what they do as an arts organisation, it brings in an income and it brings in an earned income that helps them diversify those streams. And I think, as I said in my paper, the best arts organisations are the ones that have a broad scope of different strands of income. Relying on just one or two strands isn't going to be sustainable or resilient over time. So, it's about making sure that we are constantly looking for different avenues. I work with a number of organisations, but I certainly don't give all of them the same advice, because it's all got to come from where they're at and where they're going and really looking at what they can do that literally nobody else can.

[229] **Bethan Jenkins:** Okay. Rachel.

[230] **Ms Jones:** Yes. I absolutely agree. Frân Wen—we are working with them on a project with Pendine Park Care Organisation because they've commissioned them to do work with their residents who've got dementia, but also bringing in their grandchildren and things to engage the local community. So, it's a very beneficial relationship for Pendine but also allows Frân Wen to really do good work as well. I think, as I said in my paper, there's no one answer for the arts in terms of private sector funding. I think it's got to be, as you said Emma, a range of different means, and then we come back again to capacity. [*Laughter.*]

[231] **Bethan Jenkins:** Always. Last questions now from Dawn Bowden.

[232] **Dawn Bowden:** Well, it's just on that very point of capacity. You've spoken quite a lot about that, and certainly we heard from Theatr na nÓg—they suggested having a capacity review of fundraising for small arts organisations. Do you think that would be beneficial and, if it would, who would do it—who do you suggest might do it?

[233] **Ms Goad:** I think it would be really beneficial. Part of my paper is based on some work that I've been commissioned to do by the arts council that's sort of the start of that. I actually met with Geinor from Theatr na nÓg last week and we chatted about it a little bit, and what I'm doing is really trying to show the landscape of where it is at the moment because I think one of the difficulties that we have is that the arts council quite rightly is telling organisations to diversify income and then there's a full stop. There is no support, there's no experience, there's no knowledge. So, arts organisations, particularly small ones in rural areas, are really struggling with that, and capacity is just one of those many problems that come into that.

So, I think having a capacity review is really an interesting option to move forward with.

[234] One of the things that I'm delivering to the arts council, hopefully by the end of this month, is some of the themes that I've put in this paper, but also recommendations of potential interventions that could be made. Arts Council England—to look across the border—are doing some incredible work, and we all know about the catalyst and the Catalyst: Evolve project that they're doing in terms of capacity, but some of the smaller, more meaningful training programmes that are coming off that, and the relationship that they have with the sector now, really enable that conversation to happen. And organisations, particularly the smaller ones, are really developing because of it. That includes things like peer-to-peer support and other training things—things that aren't off the scale; they're quite straightforward interventions, but things that could be done. I think a capacity review would help identify some of those.

[235] **Dawn Bowden:** I think in your evidence you talked about training as well, didn't you, and the opportunities? Do you want to say a bit more about what—?

[236] **Ms Jones:** Absolutely. I think that's the thing. I think, at the bottom of it all, what's going to come out of a capacity review is that we haven't got enough fundraisers—we haven't got enough capacity. [*Laughter.*] I could do that review in five minutes. But, I think we do need to find a way of investing in fundraising, if we're going to get back proper results. We've been investing for five years in terms of our creative internships programme, getting graduates straight out of college and saying to them, 'Fancy a career in fundraising?' and putting them into arts organisations as trainee fundraisers, and that is really working. But then, the gap that we're beginning to identify now is: what happens after that? Because, what about the career progression of mid and senior level fundraisers? We've just advertised a fundraising role and got seven applicants. The millennium centre said similar things. A number of arts organisations that have advertised for fundraisers that need, not beginners, but intermediate or senior—

[237] **Dawn Bowden:** It's a specialist niche, isn't it?

[238] **Ms Jones:** Yes, and they're just not out there. They're so specialist, and we've got to do a lot of work still to get more and more skill in.

[239] **Dawn Bowden:** Yes, I can see that. Can I just take you to a slightly different area? And, again, if I could start with you, Rachel, because it's about your evidence. You talked about the fact that the sector had an unhealthy reliance on the Arts Council of Wales, and that the arts council

[240] 'needs to enable organisations to take those necessary risks that are required to truly diversify income streams'.

[241] I'm quoting from your evidence. Can you just expand a little bit on that? And then I'd quite like to ask you, Emma, whether you actually agree with what Rachel's going to say.

[242] **Ms Goad:** Yes. I think that was in mine, as well.

[243] **Dawn Bowden:** Was it? Okay.

[244] **Ms Jones:** I don't remember writing that, actually. [*Laughter.*]

[245] **Suzy Davies:** Perhaps you could be bolder.

[246] **Dawn Bowden:** Okay, well, which one of you wants to go first? That's fine. Was it your quote, was it? I do apologise, Emma. I'm sorry.

[247] **Ms Goad:** It was mine.

[248] **Ms Jones:** Why don't you go first?

[249] **Ms Goad:** Okay. I think, as I said at the beginning, there is a historical unhealthy reliance on the arts council, and that comes—. I think one of the things that has been identified through the project that I've been doing is about that relationship. It still feels very much like—. I've talked to the arts council about this, so they know. It still feels very teacher-pupil—

[250] **Dawn Bowden:** Well, they'll know now, anyway. [*Laughter.*]

[251] **Ms Goad:** Yes. It still feels very teacher-pupil, rather than, actually, us all working together to solve the problems that we've got. In addition to that, the teacher doesn't actually know what they need to know in terms of fundraising to help that. So, I think there are two issues there, and that's one of the things that's coming out of my report. And I've been told, 'Don't hold

back', so I'm not going to, because I think, 'What's the point?' So, I think there is that. And, again, going back to having lots of strands of income, those organisations that are in the best position have a really good mix of public and private sector income, and their reliance on public sector, percentage wise, is shifting, but it's not going completely. I think public funding is really necessary for organisations to be able to take risks, to grow, to develop, to be sustainable. It's necessary to keep that boat on its even keel.

[252] **Dawn Bowden:** Do you think that's actually, conversely, taken some of the innovation out, or the risk of innovation, out of some of the arts organisations?

[253] **Ms Goad:** I don't think the funding has; I think the relationship has.

[254] **Dawn Bowden:** Okay, yes.

[255] **Ms Jones:** Yes. Obviously, public funding comes with a big degree of reporting, but all kinds of fundraising does, and I think, as a nation, we have been over-reliant on public funding, and that's got to change, but it's not enough for the arts council to say, 'Now, go out and diversify income.' There's got to be investment in how to do that and in the people who can do it.

[256] **Dawn Bowden:** What about Creative Wales? What do you think is the potential for Creative Wales to help in this area?

[257] **Ms Jones:** We were actually saying we don't know—we haven't been told a huge amount about Creative Wales.

[258] **Dawn Bowden:** Okay. Well, they haven't started yet, have they?

[259] **Ms Goad:** That's good. Otherwise, we're completely—

[260] **Dawn Bowden:** I suppose it's about feeding in what the potential might be for this organisation—it's been set up specifically to help develop the arts organisations—and what you would be looking for, I guess, from an organisation like that.

[261] **Ms Jones:** I think it's all about skills, and not just fundraising skills. We do a lot of work in Arts & Business to put specialists from business into arts

organisations to transfer their skills and expertise to them in a way that means, when those businesspeople leave, the arts organisations have got the skills in-house, whether it be marketing, IT, finance, business planning, or whatever it is. I think business skills generally, and operating like businesses, are something—there's got to be a lot of work to do if arts organisations are going to be able to go out there and survive in a sustainable way.

[262] **Ms Goad:** Fundraising is just—and I say this in my paper, and I say it all the time—one part of a sustainable, resilient organisation. So, something like Creative Wales would be really able to help arts organisations develop as organisations. That's where it starts, really: making sure that arts organisations have the ability to diversify and really make the most of what they are, not sticking to those traditional, historical lines of income, but, actually, being very free to diversify from all avenues, not just the traditional trusts and foundations, businesses and individuals. There's a whole heap of things that we could be doing to bring income, and it's just making sure that organisations are ready. I walk into a lot of organisations and they say, 'Oh, we need fundraising.' The first thing I say is, 'No, you don't, not yet. What you need to do is to come right back to where you're at and there's a job of work to be done before you get to that point.'

[263] **Dawn Bowden:** Get the organisation right.

[264] **Ms Goad:** Absolutely. From the top to the bottom and the other way.

[265] **Dawn Bowden:** Thank you. Thank you, Chair.

<p>[266] Bethan Jenkins: Ocê. Diolch yn fawr iawn ichi am roi tystiolaeth ger ein bron ni yma heddiw. Rydym ni wedi dod i ddiwedd y sesiwn, ond rwy'n siŵr y byddwn ni'n cysylltu â chi gydag unrhyw newyddion ar sut mae'r adroddiad yn siapio. Diolch yn fawr iawn.</p>	<p>Bethan Jenkins: Okay. Thank you very much for giving us evidence today. We have come to the end of our session, but I'm sure we will be in touch with you with any news about how the report is shaping up. Thank you very much.</p>
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<p>[267] Ms Jones: Diolch yn fawr iawn.</p>	<p>Ms Jones: Thank you very much.</p>
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<p>[268] Bethan Jenkins: Seibiant o ddwy funud, ie?</p>	<p>Bethan Jenkins: We'll have a break for a couple of minutes.</p>
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*Gohiriwyd y cyfarfod rhwng 11:27 a 11:33.
The meeting adjourned between 11:27 and 11:33.*

**Cyllid heblaw Cyllid Cyhoeddus ar gyfer y Celfyddydau: Sesiwn
Dystiolaeth 5
Non-public Funding of the Arts: Evidence Session 5**

[269] **Bethan Jenkins:** Symudwn **Bethan Jenkins:** We'll move on to item ymlaen at eitem 4, cyllid heblaw 4, non-public funding of the arts, cyllid cyhoeddus ar gyfer y evidence session 5. I extend a celfyddydau, sesiwn dystiolaeth 5. welcome Yvonne Murphy, artistic Croeso i Yvonne Murphy, director of Omidaze Theatre cyfarwyddwr artistig Omidaze Company. Thank you very much for Theatre Company. Diolch ichi am coming in today. If you haven't seen ddod i mewn heddiw. Os nad ydych what's been discussed already, we do chi wedi gweld yr hyn sydd wedi cael have thematic questions and, if that's ei drafod yn barod, mae gennym all right, we'll move to various themâu i'r cwestiynau, os yw hynny'n Assembly Members. Suzy Davies will iawn, a byddwn ni'n mynd at Aelodau begin. Cynulliad gwahanol. Bydd Suzy Davies yn cychwyn. Diolch.

[270] **Suzy Davies:** Hello, there. Thank you for the papers that we've received as well; there was a lot of very interesting information and provocative thoughts in there as well. This committee is obviously looking at non-public funding of the arts, and we have to consider that it is a possibility, and I'm just wondering whether your organisations have had experience of using Arts & Business Cymru for anything in the past, maybe.

[271] **Ms Murphy:** I am a member of Arts & Business, although it's just lapsed, my membership.

[272] **Suzy Davies:** All right. What benefits did you get from them when you were a member?

[273] **Ms Murphy:** Information—it was good to have another sounding board. I actually went to them first because I was producing another artist and I went to see if he would benefit from being a member. As a result, I joined—Omidaze joined, as well. I'm just interested in joined-up thinking and networking, so it was useful from that point of view. It involves a lot of work, and so for a small organisation such as mine, or the artist I was

producing, to follow that line of fundraising takes resource—human resource—and that's something that we don't have very much at our disposal.

[274] **Suzy Davies:** It's an emerging theme, capacity, absolutely on this at the moment. Obviously, you've been involved in the arts for a long time. Do you think that capacity issue has become more pronounced in these last few years?

[275] **Ms Murphy:** Oh yes, absolutely. Yes.

[276] **Suzy Davies:** And it's not a capacity gap that your organisations have been able to even think about filling, being realistic about it.

[277] **Ms Murphy:** So, I think there's a gap in Wales of a mid-scale organisation. So, there are a lot of organisations of my size, where there are one or two people running them, and they run on a contract basis and they contract people in. We don't have core costs. We don't have core funding. We operate from an office within our home and we go on a project-to-project basis for funding, and we look at other income streams such as commercial income streams. So, I run workshops and I run summer schools, which get a commercial income stream. There's a lot of people at my level, so there's a lot of SMEs in Wales and there's a lot of artist-led companies doing amazing, groundbreaking work on a shoestring. Then there's a gap, and then we have our national portfolio companies. And that gap has been started to be addressed of late. In the last decade, there's significant progress, actually, and I would say the majority of those national portfolios are now working in a way with those smaller companies to start to try and bridge that gap. But that gap is the place where the capacity is the issue. So, you're never, as an individual one-man band, or a partnership such as myself, going to have the capacity to do huge amounts of fundraising and spend weeks on end chasing business links through Arts & Business Cymru, which is a fantastic avenue to go down, and getting that sponsorship or creating those, or getting commissions, which we heard about just now. We don't have the capacity to do that, but we do if we work in partnership with others, whether as collectives or whether as associate artists, and that is something that's starting to happen and is making a huge difference, and has been really supported, actually, by the arts council.

[278] **Suzy Davies:** Is the relative novelty of that idea something that makes it difficult to get commercial income for?

[279] **Ms Murphy:** Is the novelty of what idea, sorry?

[280] **Suzy Davies:** You're talking about this collaboration where you're sort of as a beehive trying to fill this middle ground a little bit, as you just explained.

[281] **Ms Murphy:** I don't understand the question, sorry.

[282] **Suzy Davies:** Okay, let me put it like this: you've explained that there are very, very small organisations who can, as yours does, get some commercial income coming from workshops. Then you've got the big guys. But, by collaborating, you're starting to work your way into this middle ground, or have I misunderstood?

[283] **Ms Murphy:** No, and I think that Omidaze have definitely started to create that middle ground place with the scale of our productions that we've made, and other companies like us.

[284] **Suzy Davies:** But that occupation of the middle ground is relatively new, so, if you're looking for commercial income streams of any description, the very fact that they're relatively new is itself a risk for anyone who might be willing to work with you. Would that be a fair assessment?

[285] **Ms Murphy:** No, I don't think that I come with a huge amount of risk, or other companies like us, I think, because we have track records. I don't think that's the issue.

[286] **Suzy Davies:** Ah right, okay. What sort of help would you be interested in in helping improve commercial income for the work that you do? I'm talking about you as a collaborative individual now, rather than Omidaze specifically.

[287] **Ms Murphy:** What would help me attract commercial income as an individual freelancer?

[288] **Suzy Davies:** Or business support, in these collaboratives that you're talking about.

[289] **Ms Murphy:** I think I really need to make the point, because I know this is a committee looking into non-public funding, but it can't be separated

from state funding of the arts and I think that it's—

[290] **Suzy Davies:** No, I'm not suggesting that.

[291] **Ms Murphy:** So, I think that it's really important for me to articulate at this point two things: (1) as artists and as a sector, we spend an inordinate amount of time and energy that we don't have articulating the case for the arts to Government, and that takes up too much time. And I would like, in my lifetime, to not have to keep doing something that we've been doing since Margaret Thatcher asked us to do it in the 1980s. So, that I would like to have on record. The other is we have three pillars of funding for the arts sector in this country: one is state, one is philanthropic investment and the other is commercial. They work in a fine balance, as Emma just referenced, actually, in the session just previously. What's happened in my lifetime is a constant degrading of the state investment in the arts, and a constant fight from the arts to have to articulate the case for the arts and that percentage of funding. So, we're taking our time doing that, but also what happens is, as that pillar collapses, the other two are expected to rise and support it while that deficit is happening, and it simply can't for two reasons: (1) there isn't enough support, especially in such a small nation as this, to create that, whether it's commercial or—. There just isn't enough money in this small, poor nation to support that commercial income stream, and there are not enough rich individuals for that pillar to increase.

[292] **Suzy Davies:** Someone else might ask you about the rich individuals in a minute.

[293] **Ms Murphy:** Okay. So, to have a separate committee that is investigating the non-public funding of the arts, in exclusion of looking at the analysis, historic, present and future, of public funding of the arts is, to me, a strange anomaly that we need to set right.

[294] **Suzy Davies:** Okay. Thank you. Thank you, Chair.

[295] **Bethan Jenkins:** I think the reason why we're doing it this way was we didn't want to invite the situation where people would say—. We know that people are saying that we need more investment in the arts from a Government, from a public, perspective. We wanted to investigate whether there was capacity to look at other alternatives. It's not to say that it's not important, but it's to try and look at something potentially we haven't looked at much. Well, this committee hasn't anyway. So, that's the background of it.

[296] **Ms Murphy:** But the committee that was set up in 2014, I presume, did, so I'd be interested to look at the report—

[297] **Suzy Davies:** It's not about replacing public funding, it's about saying—

[298] **Ms Murphy:** No, but it's an ecology. So, to look at one part of that ecology in isolation is a difficult conversation to have. So, if I do a crowdfunding campaign, which I've done for Omidaze, I need to show that I am investing in Omidaze in order to get other people to do it. If I put a funding application in to the Arts Council of Wales, I need to show that I am already putting my funds in, and I'm bringing income stream in, and I'm getting funds from other places. It works on the same scale with public funding. In order to increase our private funding, and that from philanthropic sources, and that from commercial sources, people in Wales need to see that the state is investing in it. Now, there's been a slight increase of late, which has made a significant difference, because the profile of arts and culture in Wales is therefore raised. It is the cheapest investment that you can make. And, if people see the state investing in it, they will invest. It's all part of an ecology. So, you will get people going, they will buy the tickets, they will book the workshops because those things exist in the first place. You can't take risk if you don't exist and if you don't have the capacity to take the risk. If you spend your whole time fundraising—and don't even get me started on the rise of fundraising; I went to the Institute of Fundraising meeting when I was a Clore fellow, which I found quite fascinating, because 25 years ago, they didn't exist, and nor should they.

[299] **Bethan Jenkins:** Okay. We've got questions on individual giving now. So, Jeremy Miles.

[300] **Jeremy Miles:** Thank you. I don't think anyone's seeing this in isolation. All the evidence we've had this morning has been about the interrelationship between public funding and private funding, and it's because the committee has a shared concern with what you've just said about the decline overall in public funding that we're having this inquiry, to look at what may be creative ways of addressing that reality, which, sadly, we are looking at, at the moment. I want to turn to the question of individual giving. You said in your evidence that you're not happy for our wealthier, art-loving citizens to choose which cultural organisations should thrive, and which should not. And, again, I'm sure we're all signed up to that. But the

challenge in Wales is even more profound than that, isn't it, because there aren't actually, as you've already said in your evidence, enough of those wealthy individuals to make that a realistic source of funding.

[301] **Ms Murphy:** Except, with the rise of something like crowdfunding, that's where you're going. So, crowdfunding was seen as a sticking plaster, and people got very excited about crowdfunding. And I was cited on the BBC news as someone who was using crowdfunding successfully, and this was an answer to all of our prayers. Crowdfunding is like the cake sale that we've been doing forever, except on a global, digital scale. But the thing is, you tap your immediate circles first. You can only really crowdfund once, because you can only use those people once. But what happens is, the big people who give to crowdfunding, and they do, and I had big donors give to my crowdfunding campaign, are choosing which projects to make happen. So, that is a dangerous place that we are going to because they are the people who are then deciding which theatres stay open, which museums have which programmes funded. So, it's problematic.

11:45

[302] **Jeremy Miles:** Absolutely, and that's the distinction.

[303] **Ms Murphy:** It should be the cream as opposed to—.

[304] **Jeremy Miles:** Okay. Yes, absolutely agreed. With that said, in terms of the potential to try to make up some of the shortfall in the public funding through that route—

[305] **Ms Murphy:** But I'm going to argue: why are we doing that?

[306] **Jeremy Miles:** Okay, well, we're having a philosophical conversation here. We're operating on the basis that we all share that view, but we're trying to look creatively at what the alternative is, given that's the fixed point for this inquiry. So, perhaps we can proceed on that basis.

[307] **Ms Murphy:** But I'm going to challenge that fixed point.

[308] **Jeremy Miles:** Okay. Well, in order do to that, I think we all accept that fixed point for now. Can we just progress to look at whether or not the individual-giving route is one which you think has any capacity, even if you find it unattractive?

[309] **Ms Murphy:** I don't think it has a huge capacity, no, because I think that you get drowned with crowdfunding campaigns. So, in the end, people only have so much to give. People have so much to spend out of their wallet on the arts, they have so much to spend on food, they have so much to spend on everything else. If you tap into them again and again and again—. So, you're talking about a very small percentage of people who are wealthy enough in Wales to put their—. And they do. They support things like Chapter, of which I'm a trustee, which is fantastic, and they support things within the Wales Millennium Centre. It's there—that individual giving is there.

[310] **Jeremy Miles:** We looked, in the earlier sessions, at the potential of the Welsh diaspora, if you like, who have particular links, obviously, with Wales, but maybe even regional links within Wales that they're keen to support—either more regional art effort generally, or particular media within any given region. Do you feel, if it were more clearly identified who those individuals might be, that organisations, even then, might have the capacity to build relationships with them?

[311] **Ms Murphy:** I think that we should be looking more beyond Wales for our—

[312] **Jeremy Miles:** That's the point I'm making.

[313] **Ms Murphy:** Yes, but not just because they have a connection to Wales. I think we should be looking beyond Wales because we are so small in consideration with the size of the UK, and actually when we punch far above our weight, as we do already, but, actually, we're quite—. I've been into places to take my shows in London, where they have given statements like, 'Shows from Wales don't do very well in London'. There is a blanket belief. I've also talked to lots of trusts and foundations where they say, 'We don't get very good applications from Wales'. There is a general belief about the quality and the experience here that needs to shift and change and then we can access much larger donors, whether or not they've got a connection and whether or not they're a diaspora.

[314] **Jeremy Miles:** Okay. So, on that point—I take that point and it is, if I may say, a very strong point—even if one identified the pool differently, if you like, to people outside Wales who we think might be potential donors, do you feel that individual organisations, even then—do you feel it's realistic for them to build those relationships and nurture them over years in a way that

brings a return?

[315] **Ms Murphy:** Yes. My experience of doing the Clore leadership project, which was invested in by the Arts Council of Wales, enabled me to make a network across the UK and internationally as an artist. So, I started talking to funding bodies and individuals about my work in a way that I have never been able to do before, and the way that I was able to do that was because of funding from the arts council, so my platform was raised and my visibility was raised beyond here. That is what we must do for artists in order to enable them to bring funding into this country. No-one in Yorkshire would ever think of just getting funding from people in Yorkshire.

[316] **Jeremy Miles:** Great. Thank you.

[317] **Bethan Jenkins:** Dai.

[318] **Dai Lloyd:** Diolch yn fawr, Cadeirydd. Wrth sôn yn benodol am arian oddi wrth sefydliadau ac ymddiriedolaethau, rwy'n clywed beth rydych chi'n ei ddweud a dyna ydy grym y dystiolaeth rydym ni wedi'i dderbyn, sef bod nifer ac ansawdd ceisiadau o Gymru am y fath ariannu oddi wrth sefydliadau ac ymddiriedolaethau yn wan o ran nifer ac o ran safon. A gaf i jest ofyn i chi am eich profiad personol o wneud y fath geisiadau i sefydliadau ac ymddiriedolaethau?

[319] **Dai Lloyd:** Thank you, Chair. Discussing specifically funding from foundations and trusts, I hear what you say and that is the force of the evidence that we have received, that the number and quality of applications from Wales for such funding from foundations and trusts is weak in number and in quality. So, may I just ask you about your personal experience of making such applications to foundations and trusts?

[320] **Ms Murphy:** As I said in my written evidence, we are disqualified from applying to the majority of trusts and foundations because of our structures. So, because I'm not a registered charity, and nor do I want to be a registered charity, because we have enough in this small nation, and we have enough money being spent on sustaining organisations, I am eliminated from applying to the majority of them, many of which I've applied to for funding when I was strategic lead for What Next?. So, I have personal relationships with people in the Foyle Foundation, the Paul Hamlyn Foundation and the Esmée Fairbairn Foundation, but I, as an artist and as a person running a small business, cannot apply for the funding.

[321] **Dai Lloyd:** But if you could, would you?

[322] **Ms Murphy:** Absolutely. For the last artist that I was producing, I did a piece of research where I basically listed every foundation and trust in the United Kingdom that he could apply to as an individual artist, and the amounts that he could apply for. They were roughly around £3,000 to £5,000 as the top whack. Some of them were £500 or less. They're very oversubscribed, obviously. They're very limited, as in a lot of them are very specific—you have to be doing a musical production about a cat, or something like that. The wide scope of charities and foundations is just off—it's just not available for the majority of small artist-led companies working in Wales.

[323] **Dai Lloyd:** Okay.

[324] **Bethan Jenkins:** Neil Hamilton.

[325] **Neil Hamilton:** We've had evidence from Swansea University to the effect that there may be a creative tension between experimentation in arts on the one hand and the need to raise funds on the other. From the evidence that you've given, I'm thinking that your answer would probably be to agree with that, would it?

[326] **Ms Murphy:** There is a tension between time spent on the creation of the art itself and creating the funds that allow you to create the art. That has ever been thus, but it is worse than it has ever been.

[327] **Neil Hamilton:** But, inevitably, there is no limit to what you could spend on the arts, and it has to compete with other claims on the budget. Therefore, we are never going to get the Government to simply sign a blank cheque. Therefore, the role of individual giving and, indeed, the role of producing populist productions, as well, is going to be vitally necessary in supporting arts organisations. Do you not think that's correct?

[328] **Ms Murphy:** Mr Hamilton, I have never requested a blank cheque for the arts. However, I find it interesting that the return on the investment for other parts of the budget is way below that of the return on the investment in the creative industries and arts and culture. So, if we look at it from an economic point of view, there is no argument as to why the increase in the budget can't happen. If we look at it from a well-being and health point of

view, there is no argument as to why it cannot happen. If we look at it from a point of education, there is no argument why it cannot happen. The only reason I would put forward that the slice of the budget in this country, in the devolved nations and predominantly in the English parliament remains so small is because of a class view that arts and culture are a private luxury that is afforded to those who can have the means to buy it. So, I am of the view that in a country like Wales, where we support education and health as something that is from the cradle to the grave, arts and culture need to be within that format.

[329] So, the return on the investment—. You're asking me a question about—. You know, you said there's no end to the amount that we could pay into the arts. There is also no end to the amount that we could pay into health. There is no end to the amount that we could pay into education. What I'm arguing is around the percentage of that, and no-one around this table would ever say, 'Well, we can't just give a blank cheque to education', because it's accepted that that is a fundamental part of our citizens' rights.

[330] **Neil Hamilton:** But we don't give a blank cheque to education.

[331] **Ms Murphy:** No, but the very fact that you would ask it I find incredulous—

[332] **Neil Hamilton:** But what I can't get out of your evidence so far is: how do we determine the amount of money that the Government gives to the arts, relative to the—

[333] **Ms Murphy:** How do you determine the amount of money that the Government gives to anyone? How do you determine it? My understanding is that—

[334] **Neil Hamilton:** It's competing priorities.

[335] **Ms Murphy:** —you determine it on return on investment.

[336] **Bethan Jenkins:** Can we have one—? Sorry, just for clarity for the record, can we have one person at a time? That would help.

[337] **Ms Murphy:** Sorry.

[338] **Neil Hamilton:** It's competing priorities, isn't it? There are different

interest groups in society, all of whom are knocking on the door. So, perhaps I expressed myself inelegantly earlier on in talking about a blank cheque, but I personally can't see the currently climate being relaxed any time soon. Therefore, the purpose of this inquiry is to see to what extent there are other avenues of funding that can help to boost the budget of arts organisations in Wales.

[339] **Ms Murphy:** I don't see it as a—. I don't like the economic argument for the arts, because it is always reduced to the economic argument for the arts. But if that is what we are talking about, and if that is what we have to talk about in difficult times, then the return on investment for culture and the arts way exceeds that of investment in other areas. You need to look at all the evidence that is around health, well-being and education. If you look at the cost of one individual who has gone through life without access to arts and culture, and has gone through the criminal justice system, and then is in a prison, and then has all the other stuff that is around that person being rehabilitated, the cost of that one individual against an individual who has had early-intervention access to the arts and culture—there is no comparison between those two costs. So, I'm sorry; you are putting forward an economic argument for the reduction. It's not one that I'm going to buy.

[340] **Neil Hamilton:** Well, you make a heroic case.

[341] **Bethan Jenkins:** Suzy, did you have a point—on this in particular?

[342] **Suzy Davies:** Yes, it was, actually. You mention education, health and well-being more generally. Of course, the Government here has put great store—fairly recently, actually—on the role of arts in that, but it does mean that the budgets for that have disappeared into those other areas. So, you know, education might have had a little bit, and health and well-being might have had a little bit. Does that make it more difficult for arts organisations to find those routes?

[343] **Ms Murphy:** Yes. Creative learning is absolutely brilliant. I'm an Arts Council of Wales creative agent, and I will defend it until my last breath. It's a marvellous scheme, and we are leading the UK in having that. Also, the recent partnership between the national health service and the arts council—brilliant, absolutely pioneering. Those things must happen. They must happen in addition. What's happening at the moment is the arts and culture is being used as a cheap fix—all for no increase in investment, and that cannot be allowed to continue. We are being seen as a sector that can sort

out poverty, education, health—‘Oh and can you make some great art and can we take you overseas on a visit as well, to promote Wales?’ Great. Yes, let’s do all of those things, but we can’t do it on reduced public investment, and we can’t do it through crowdfunding campaigns and tapping the same individuals in Wales constantly.

[344] **Suzy Davies:** Okay, thank you.

[345] **Bethan Jenkins:** I’ve just got a quick question on volunteering. Obviously, we heard from Chapter earlier. Basically, they said that it was great that they had volunteers, but it’s basically doing a job that should be a paid job, quite frankly—of stewarding events and taking tickets at the entry for cinema access and such. I can predict your opinion, but, potentially, what’s your view? I mean, there are lots of different types of volunteers. Obviously, volunteering and taking part in an artistic process would be very different to selling tickets on a night out. Do you see that they are in different brackets? What value do you put on volunteering within your organisation and in Wales in general?

[346] **Ms Murphy:** Volunteering is incredibly important, and all arts organisations must open their doors to enable people to experience the arts at all different levels. I personally always provide work experience on every production that I do. What’s happening of late, though, is that that is replacing a workforce. That is going to have a negative effect on our sector, our economy, and the jobs we are proving going forward in the next decade. That is a dangerous, slippery slope. The fact that ushers are being replaced by volunteers, ticket staff—you name it. All different people are being replaced by unpaid individuals, and that is not acceptable. Volunteers need to be in addition, not as a replacement.

[347] **Bethan Jenkins:** Thanks. Dawn Bowden.

[348] **Dawn Bowden:** Thank you. Just a couple of questions. I just wondered if you’ve been involved at all in the arts council’s resilience programme.

12:00

[349] **Ms Murphy:** No, but I know of it because I’m on the board of Chapter.

[350] **Dawn Bowden:** Okay, so you haven’t been involved, so you can’t really speak about the outcomes.

[351] **Ms Murphy:** I'm not a portfolio company.

[352] **Dawn Bowden:** That's fine. The other thing I just wanted to ask you about, because you talked quite a lot about capacity, as have other organisations that have spoken to us—. This is in terms of fundraising now. I don't know whether you've heard that Theatr na nÓg have talked about having a review of fundraising capacity so that we may be moving towards organisations sharing resources to fundraise. Have you got any thoughts and views about that and how that should be done, if it's going to be done?

[353] **Ms Murphy:** Part of the evidence that I supplied was around something that I put as a proposal to the arts council around producing. You can separate producers from fundraisers, but in small organisations, producers are the fundraisers. It's really important, going forward, that we work together and that we share the resources that we have, and already, huge steps have been made to do that. That's a model that needs to happen.

[354] **Dawn Bowden:** Do you think that that is realistic in terms of the competition between organisations?

[355] **Ms Murphy:** I think what's been really interesting during 'What Next?'—. So, when I first joined—. Am I talking about something you know? So, 'What Next?' is a cultural movement in the UK.

[356] **Dawn Bowden:** I've read your papers, yes.

[357] **Ms Murphy:** When I first went, as my secondment, to that, the people who were leading that were David Lan, who is the artistic director of the Young Vic, Nicholas Allott, who's no longer with us, who was the CEO of the Roundhouse in Camden, and Alistair Spalding, who's the head of Sadler's Wells. What they talked about in my interview was the fact that it was unprecedented the way that organisations and heads of organisations were starting to work together, and that they were starting to collaborate and communicate with each other for the benefit of the sector as a whole. Actually, what they had seen previously was that people held their fiefdoms and they were very protective of their own individual performance venue or arts organisation. And there has been a massive shift in the sector—not just in Wales, but across the UK—of how the sector is now starting to work together, and that's a fantastic development that I've seen in the last decade.

[358] **Dawn Bowden:** That's interesting. My final question is just to ask you for your views on Creative Wales, and how that might, going forward, actually help with the development of smaller arts organisations. It hasn't really started its work yet.

[359] **Ms Murphy:** Well, no. I Googled it because I heard in the last session—

[360] **Dawn Bowden:** So, you don't know it. You don't really—

[361] **Ms Murphy:** Well, no. I found it quite interesting because what I found when I Googled it was a lot of support for television and film in Wales through the creative industries and through Skillset, but nothing for—. And it's something that I've searched for a lot, before I went on the Clore, in terms of how I could get support. I remember having conversations and interviews with Business Wales about how I could get support, and I was basically told, 'Well, you're doing the Clore. We can't give you any more than that.'

[362] **Dawn Bowden:** But I think it's more than just about providing money, isn't it? It's about developmental support—all kinds of other ways of supporting organisations. I was just wondering if you had a view on the types of things that could be done.

[363] **Ms Murphy:** My experience of the support out there for culture and arts organisations is it doesn't understand the sector. So, it's the business support that's happening—. I think I would need a whole separate meeting to give you some feedback about Business Wales and how it doesn't fit or meet the requirements of the cultural arts sector.

[364] **Dawn Bowden:** Okay, thank you.

[365] **Bethan Jenkins:** Perhaps you could send us some additional pointers about that, because, obviously, what I found from when we've called for the new funds for journalism is that what they were saying there was that they needed bespoke advice because the people or the systems that were in Business Wales didn't allow for that bespoke advice to happen. Would you concur with that type of analysis?

[366] **Ms Murphy:** Yes. Yes, I would, and I think it's actually improved—. So, when I first looked at it, which was quite a while ago, when I needed that help—. I think it's shifted and developed quite a lot, because now I still get

the e-mails through and they're offering help that would have been relevant to me eight years ago, actually. So, there has been a significant development in what the offer is around publicity, around social media presentations—all the things that I had to go elsewhere to find or learn myself.

[367] **Bethan Jenkins:** But if you could give us some thoughts on e-mail about that experience, that would be useful for us, if that's possible.

[368] **Ms Murphy:** I'll add it to my list of things to do when—

[369] **Bethan Jenkins:** Well, if you haven't got time, then—

[370] **Ms Murphy:** No, I'm joking.

[371] **Bethan Jenkins:** —it doesn't matter, really. So, those are the questions we have from Members, so thank you very much for coming in, and we'll keep you abreast of any developments with what we're doing as a committee.

[372] **Ms Murphy:** Thank you for forming the committee—it's really important.

[373] **Bethan Jenkins:** Okay, thank you.

12:05

Papurau i'w Nodi Papers to Note

[374] **Bethan Jenkins:** Rydym yn symud ymlaen nawr at eitem 5: papurau i'w nodi. Papur 5.1 yw gohebiaeth rhwng Ofcom a minnau—llythyr gen i am drwydded weithredu ddrafft ar gyfer gwasanaethau cyhoeddus y BBC yn y Deyrnas Unedig, ac ymateb gan Ofcom ar 4 Hydref. Roeddwn i eisiau cynnig fy mod i'n ysgrifennu at y BBC, oherwydd mae yna wahaniaeth mewn tystiolaeth, neu wahaniaeth mewn

Bethan Jenkins: We will move on, therefore, to item 5: papers to note. Paper 5.1 is correspondence between Ofcom and myself—a letter from me about the draft operating licence for the BBC's UK public services, and a response from Ofcom on 4 October. I wanted to propose that I write to the BBC, because there is a difference of view in that regard. And I've also received another letter from someone

barn yn hynny o beth. Ac rwyf i hefyd wedi cael llythyr arall gan rywun sydd wedi codi consêrn ynglŷn â sut mae Cymru'n cael ei phortreadu ar y rhwydwaith, ac felly eisiau cynnwys hynny'n rhan o unrhyw lythyr i'r BBC. A ydy hynny'n iawn gydag Aelodau?

who has raised a concern about how Wales is portrayed on the network, and so I wanted to include that as part of any letter to the BBC. Would Members be happy with that?

[375] **Dai Lloyd:** Iawn.

Dai Lloyd: Yes.

[376] **Bethan Jenkins:** Grêt, diolch.

Bethan Jenkins: Great, thank you.

12:06

Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o Weddill y Cyfarfod

Motion under Standing Order 17.42 to Resolve to Exclude the Public from the Remainder of the Meeting

Cynnig:

Motion:

bod y pwyllgor yn penderfynu that the committee resolves to gwahardd y cyhoedd o weddill y exclude the public from the cyfarfod yn unol â Rheol Sefydlog remainder of the meeting in 17.42(vi).

accordance with Standing Order 17.42(vi).

Cynigiwyd y cynnig.

Motion moved.

[377] **Bethan Jenkins:** Rydym yn symud ymlaen, felly, at eitem 6: cynnig o dan Reol Sefydlog 17.42 i wahardd y cyhoedd o weddill y cyfarfod. A ydy pawb yn hapus gyda hynny?

Bethan Jenkins: We move on, therefore, to item 6 and a motion under Standing Order 17.42 to resolve to exclude the public from the remainder of the meeting. Is everyone content with that?

[378] **Suzy Davies:** Ydyn.

Suzy Davies: Yes.

[379] **Dai Lloyd:** Bodlon.

Dai Lloyd: Happy.

[380] **Bethan Jenkins:** Grêt, diolch yn fawr iawn. **Bethan Jenkins:** Great, thank you very much.

Derbyniwyd y cynnig.

Motion agreed.

Daeth rhan gyhoeddus y cyfarfod i ben am 12:06.

The public part of the meeting ended at 12:06.