

Aseiad o werth economaidd Menter Caerdydd i brifddinas Cymru

An assessment of Menter Caerdydd's economic value to Cardiff

Final report

Presented to Menter Caerdydd by Arad
Research

July 2016

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Contents

- 1. Introduction3**
 - 1.1 Menter Caerdydd 3
 - 1.2 Tafwyl 3
- 2. Key findings5**
- 3. Our approach6**
 - 3.1 Overview of methodology 6
 - 3.2 Data sources 6
- 4. Findings8**
 - 4.1 Contextual information 8
 - 4.2 Total economic value and return on investment 8
 - 4.3 Direct economic value 9
 - 4.4 Indirect economic value..... 9
 - 4.5 Induced economic value..... 9
- 5. Menter Caerdydd response 10**
 - Response to the research by Sian Lewis, Chief Executive 10

1. Introduction

Menter Caerdydd commissioned Arad Research to undertake an assessment of the organisation's economic value to the city of Cardiff. This report presents the findings of the analysis as well as Menter Caerdydd's response to the study.

1.1 Menter Caerdydd

Menter Caerdydd was established in June 1998, with the aim of promoting and expanding the use of the Welsh language in Cardiff by creating opportunities for the city's residents to use the language outside work hours and the school gates.

Menter Caerdydd deliver services by working in partnership with a vast number of Welsh-language organisations in Cardiff as well as other organisations in the City whose focus is broader than delivering Welsh-medium activities. Menter Caerdydd's main partners are the Welsh Government and Cardiff County Council who are responsible for funding a number of the services they offer through the medium of Welsh in the City. They are a registered charity and Company Limited by Guarantee.

Menter Caerdydd's core work encompass six priorities. They are to:

- Promote and create opportunities to use the Welsh language
- Raise confidence and change people's attitudes towards the Welsh language
- Strengthen the Welsh language and its use amongst families
- Develop employment and training opportunities for young people and adults
- Develop Welsh Festivals to raise awareness of the Welsh language
- Ensure a visual platform for the Welsh language on a digital level

The services and activities of Menter Caerdydd include weekly clubs for children, free play opportunities and Holiday Care Schemes and workshops, social activities and opportunities for learners and families, Tafwyl – Cardiff's Welsh Language festival.

By focusing on these main priorities, Menter Caerdydd encompasses the Welsh Government and Cardiff Council's main strategic priorities in terms of the language, families, children and young people, the community and the workplace.

1.2 Tafwyl

Tafwyl is the annual arts & culture festival established by Menter Caerdydd in 2006 to celebrate the use of the Welsh language in Cardiff. In 2012 Tafwyl moved from the Mochyn Du, became part of Cardiff Council's 'Cardiff Summer Festival' and was held at Cardiff Castle for the first time. Tafwyl's footfall has grown incredibly over the last few years from 1,500 in the Mochyn Du to over 35,000 at last year's event.

In 2015 the main aim was to build on the festival's success by holding the event over two days once again at one of Wales' main heritage attractions – Cardiff Castle – as well as keeping the event free of charge.

The aims of the festival, as noted by the organisers, are as follows:

1. Raise the profile of the Welsh language in Cardiff by giving children, young people and adults the opportunity to hear and speak the language in our capital city.
2. Present Welsh culture in a fun, friendly and inclusive environment.
3. Create opportunities for the public to gain confidence in their Welsh and gain access to the language.
4. Target separate audiences, with activities accessible to every group. Adults should see the festival as sophisticated enough for them to enjoy, while also fun for children.
5. Increase the provision of activities for Welsh speaking children and young people and increase their awareness of the language's worth.
6. Strengthen the position of the Welsh language in the community.
7. Increase and improve services for Welsh citizens.
8. Be considered a festival of high quality.
9. Establish a national profile.

2. Key findings

The study's key findings demonstrate that:

- Menter Caerdydd generated an estimated **total economic value of £1.9m in Cardiff** in 2014-15;
- On average, visitors to Tafwyl spent an estimated £46 on goods and services from Cardiff-based businesses generating an **indirect economic value of just over £1m**;
- Menter Caerdydd generated a **return on investment of £2.66 for every pound** of income received in 2014-15.

By applying this rate of return on investment to individual sources of income for Menter Caerdydd, we can attribute the following share of Menter Caerdydd's total economic value to the funding sources below:

- £246,000 provided by Cardiff Council generated a return of £653,000;
- £161,000 provided by Welsh Government generated a return of £428,000.

3. Our approach

3.1 Overview of methodology

Our economic analysis, which focuses on the economic impact of Menter Caerdydd, is based on the following:

- Menter Caerdydd's core business activities (direct effect);
- Income and expenditure generated through Tafwyl 2015 festival organised by Menter Caerdydd in the city (indirect effects)¹;
- Income contributions made along the supply chain as a result of Menter Caerdydd's core activity (induced effects).

The overall economic value estimated is based on the premise of a Keynesian Multiplier Effect. This effect takes into account the initial local expenditure made by Menter Caerdydd and recognises that this spend serves as income for other businesses within the economy. This income in turn stimulates further rounds of spending, and the process continues until the level of local income generated by successive rounds of spending becomes negligible. The resulting economic value figures reflect the optimum or highest levels of economic impact likely to be generated from the contribution made by Menter Caerdydd to the economy of Cardiff during 2014-15.

All findings are based on expenditure data relating to 2014-15 unless otherwise stated. The study has included primary and secondary research, drawing on:

- Menter Caerdydd's expenditure data;
- Data gathered by Menter Caerdydd from Tafwyl 2015 visitors and suppliers;
- A survey of Menter Caerdydd's staff;
- A survey of Menter Caerdydd's suppliers.

3.2 Data sources

Direct expenditure data was obtained from Menter Caerdydd based on the latest figures available for 2014-15. For the purposes of this study, we consider this spend as the initial direct expenditure effect. Data provided by Menter Caerdydd included a breakdown of expenditure on goods and services purchased from individual companies based in Cardiff. This enabled us to assess the economic impact generated within the capital city.

Data from a survey of 198 visitors to the Tafwyl 2015 festival was analysed as part of this study. The survey was conducted by Menter Caerdydd using a combination of face-to-face interviews at the festival site and an e-survey distributed to visitors soon after the event. The survey questionnaire included questions relating to the average spend of visitors on various categories of goods and services.

¹ Tafwyl is the annual festival established by Menter Caerdydd in 2006 to celebrate the use of Welsh in Cardiff. See www.tafwyl.org.

Arad Research also undertook a survey of Cardiff-based companies that had provided goods or services to Menter Caerdydd during 2014-15. The survey was conducted through a combination of e-survey, paper-based questionnaires and telephone interviews. A total of 25 companies completed the survey (a response rate of 39%).² Arad Research also undertook a survey of Menter Caerdydd staff (including employees and temporary staff employed during 2014-15) as part of this study. A total of 23 staff completed the questionnaire (a response rate of 24%). The data from both surveys informed our analysis of the induced economic value of Menter Caerdydd.

² A further ten companies started the questionnaire but did not provide sufficient information for inclusion in the economic analysis.

4. Findings

The findings of this research indicate that Menter Caerdydd generates economic value directly through its expenditure, indirectly through its role in organising the Tafwyl festival and through induced or 'knock on' effects on the wider economy of Cardiff. These impacts are summarised below:³

4.1 Contextual information

4.1.1 Menter Caerdydd

Menter Caerdydd employs 8 staff on permanent contracts and 132 temporary staff to work within all their services. 75 per cent of these staff are between 18 and 25 years old – this is usually their first job working through the medium of Welsh, reinforcing their confidence to use their Welsh language skills in a working environment. Menter Caerdydd also offer training to all their staff to upskill, gain experience and offer them a chance to gain further qualification.

Annually, Menter Caerdydd organize a programme of over 1200 individual activities reaching 40,000 service users and work with 88 local and National partners and stakeholders

4.1.2 Tafwyl

Tafwyl 2015 was attended by 35,500 people (over 9 days), an increase of 90% compared with the 18,717 that attended in 2014. Tafwyl Fair was attended by 22,000 on the Saturday and 12,000 on the Sunday. The target audience number was 25,000 – with the actual figure 54% higher than expected. Attendance during the week's fringe festival was also high with 1,500 enjoying 29 events across the city. The total footfall for Tafwyl Fair and the Tafwyl Fringe Festival therefore was over 35,500.

Tafwyl is a partnership between the public, private and voluntary sectors and it provides a platform for the Welsh language in the country's capital.

Tafwyl attracted £28,975 in sponsorship in 2015, an increase of 52% from the previous year. Many of the sponsors including Capital Law, and Park Plaza have agreed a three-year sponsorship deal.

4.2 Total economic value and return on investment

Menter Caerdydd generated an estimated **total economic value of £1.9m in Cardiff** (£1,887,024) in 2014-15. This includes its direct, indirect (through Tafwyl) and induced economic value, each of which are described in turn below.

Menter Caerdydd received income of £709,000 (£709,460) in 2014-15.⁴ The economic contribution to Cardiff of £1.9m shows that Menter Caerdydd generated a **return on investment of £2.66 for every pound** of income received.

³ Figures have been rounded for presentational purposes.

⁴ Around a third of this (35%) came from Cardiff Council, around a quarter (23%) from the Welsh Government and 43% from other sources.

4.3 Direct economic value

In 2014-15, Menter Caerdydd spent **£438,000 directly on goods and services from Cardiff-based companies and staff who live in Cardiff**. This comprised of:

- a total of over £220,000 spent by Menter Caerdydd on goods and services in Cardiff (representing 59% of all the organisation's expenditure on goods and services)
- payments of £218,000 to staff (including employees and temporary staff) based in Cardiff (representing 65% of all Menter Caerdydd's expenditure on staff).

4.4 Indirect economic value

On average, visitors to Tafwyl spent an estimated £46 on goods and services from Cardiff-based businesses generating an **indirect economic value of just over £1m** (£1,039,708) within the capital city. This included expenditure on food & drink at the festival, craft stalls, transport, accommodation and bars & restaurants in Cardiff. This figure does not include expenditure by Tafwyl visitors on businesses that are not located in Cardiff (e.g. stalls of business located outside Cardiff, transport costs for visitors from outside Cardiff).⁵

4.5 Induced economic value

This total direct and indirect expenditure of £1.5m (£1,478,139) led to further rounds of **induced expenditure of £409,000** (£408,885). Further evidence of this induced impact was provided in companies' responses to the supplier survey conducted as part of this study. The survey showed that a majority of companies were of the view that Menter Caerdydd had a positive economic impact on each of the following:

- Gaining new work or contracts;
- Gaining new customers or clients;
- Gaining access to new markets;
- Increasing turnover;
- Increasing profit.

⁵ Data from Menter Caerdydd shows that 16 out of 29 of the stalls were Cardiff-based businesses and that 8 out of the 9 food & drink businesses at the festival were from Cardiff.

5. Menter Caerdydd response

Response to the research by Sian Lewis, Chief Executive

The work of the Menter contributes to a range of National and Local policy areas and strategies. In terms of Welsh Government policies, we contribute towards the successful implementation of the following policies:

- **Welsh Medium Education Strategy** The Welsh Government emphasises the importance of providing informal opportunities for learners to reinforce their language skills and the need to increase and facilitate opportunities for young people to participate in Welsh medium activities outside formal educational locations.
- **Welsh Language Strategy 2012 – 2017 *laith Fyw, laith byw*** The aim is to increase the provision of Welsh medium activities for children and young people and to see the Welsh language as a living language in Wales and to increase the language's status in our communities.
- **Well-being of Future Generations Act (Wales) 2015** Wales is a lively culture where the Welsh language is flourishing, a society which promotes and safeguards culture, heritage and the Welsh language and which encourages people to participate in the arts.
- **Bilingual Cardiff Action Plan 2014 – 2017 (Cardiff Council)** This new innovative method involves demolishing the obstacles between Welsh and English, promoting bilingualism as something which is completely natural and being equally proud of the two official languages here in Cardiff to ensure that our vision of a Cardiff which is increasingly bilingual is realised.
- **Cardiff Council's '2010:2020 Strategy'** For children and young people, a great place to live, work and play in, a place where they can enjoy their childhood and youth. It also means access to a variety of cultural activities in Welsh and English. Cardiff is a bilingual city, and as a result, partners continue to be committed to provide for the increasing demand for Welsh medium services.

In terms of Cardiff Council's policies, we contribute towards the successful implementation of the following policies:

- **Bilingual Cardiff Action Plan 2014 – 2017 (Cardiff Council)** "This new innovative method involves demolishing the obstacles between Welsh and English, promoting bilingualism as something which is completely natural and being equally proud of the two official languages here in Cardiff to ensure that our vision of a Cardiff which is increasingly bilingual is realised."
- **Cardiff Council's '2010:2020 Strategy'** "For children and young people, a great place to live, work and play in, a place where they can enjoy their childhood and youth. It also means access to a variety of cultural activities in Welsh and English. Cardiff is a bilingual city, and as a result, partners continue to be committed to provide for the increasing demand for Welsh medium services"

We look forward to continuing to work with Cardiff Council and the New Welsh Government to implement their policy aspirations across a number of portfolio areas.

Menter Caerdydd's corporate plan 2016 – 2019 identifies four distinct action areas, which tie in to the priorities of Cardiff Council's Local Strategies and the National Strategies of the Welsh Government.

These are:

- The Family
- Children and Young People
- The Community
- The Workplace

The value of the 'workplace' will increase in the coming years as Menter Caerdydd prioritise key partnerships with Cardiff Council, Job Centre Plus, Careers Wales, Cardiff University and Agored Cymru to run tailored programmes to upskill individuals to use their Welsh language skill to better their chance of gaining employment and qualifications.

By working with these key partners, Menter Caerdydd will provide training, advice, information and practical assistance to ensure that job seekers recognise the importance of the Welsh language as a skill in the workplace. As more employers will be looking to recruit more staff with Welsh language skills to comply with the new Welsh language standards, the element of our work will gain even greater significance and importance.

Our service priorities for 2016 – 2019 are as follows

- **Develop and co-ordinate Welsh medium activities (culture and leisure) for the whole community**
- **Develop services which offer employment and training in Welsh for young people to reinforce the value of the language in their everyday lives and work**
- **Promote and reinforce the value of the language amongst families.**
- **Co-operate with commercial partners and volunteers to develop Tafwyl.**
- **Lead on Yr Hen Lyfrgell project – Cardiff Welsh Centre, run a centre of the highest standard which creates a positive impression in the Capital City on a community, business and economic level.**
- **Develop our digital platforms (websites, echlysur data base, and our social networks) to promote our services to new audiences.**
- **Assist and take advantage of the National Eisteddfod's visit to Cardiff in 2018 to raise the profile of the Welsh language in the communities of Cardiff.**

We are confident that the evidence presented in this report outlining Menter Caerdydd's economic value to Cardiff reinforces that in addition to being the main vehicle to deliver Cardiff Council's key policy objectives as outlined above and being a central partner in delivering Welsh Government policy areas the Menter provides value for money in its work

and provide and economic value to Cardiff. We look forward to continuing this work over the years ahead.