

Gwerthusiad o draweffaith economaidd a diwylliannol Canolfan Soar, Merthyr Tudful

Evaluation of the economic and cultural impact of Canolfan Soar, Merthyr Tydfil

Final report presented to **Canolfan a Menter Gymraeg Merthyr Tudful**
by **Arad Research**

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Arad Research
8 Columbus Walk
Brigantine Place
Caerdydd/Cardiff
CF10 4SD
www.aradresearch.com



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Crynodeb gweithredol

Comisiynwyd Arad Research gan Ganolfan a Menter Gymraeg Merthyr Tudful i gwblhau gwerthusiad o draweffaith economaidd a diwylliannol Canolfan Soar.

Amcanion yr astudiaeth oedd:

- Cyflwyno gwerthusiad o draweffaith economaidd a diwylliannol Canolfan Soar;
- Darparu data i arwain a chryfhau datblygiad a chynaliadwyedd Canolfan Soar yn y dyfodol a chynorthwyo ceisiadau am arian yn y dyfodol;
- I ddadansoddi unrhyw gysylltiadau rhwng yr economi a phwyslais y Ganolfan ar weithredoedd sy'n gysylltiedig â'r iaith Gymraeg; a
- Cyfrannu at sylfaen ehangach o dystiolaeth ar adfywiad economaidd a diwylliannol Merthyr Tudful.

Cefndir ar ddatblygiad Canolfan Soar

Yn 2011, datblygodd Canolfan a Menter Gymraeg Merthyr Tudful ganolfan iaith Cymraeg - Canolfan Soar - sydd yn cynnig ystod eang o gyfleoedd diwylliannol a chelfyddydol a gweithgareddau'n ymwneud ag etifeddiaeth i bobl Merthyr Tudful. Mae Canolfan Soar yn cwmpasu hen adeilad Capel Cymreig sydd wedi ei drawsnewid yn Theatr Gymunedol ac mae'r adeilad festri gyfagos bellach yn Ganolfan iaith Gymraeg. Mae'r Ganolfan hwn yn cynnig siop, caffi, swyddfeydd ar gyfer hyrwyddo'r iaith Gymraeg ac ar gyfer sefydliadau eraill, a Chylch Meithrin.

Mae Canolfan Soar yn gartref i nifer o sefydliadau iaith Cymraeg sydd yn gwasanaethu'r gymuned ym Merthyr Tudful, sef Canolfan a Menter Gymraeg Merthyr Tudful, Urdd Gobaith Cymru, Lles, Cymraeg i Oedolion a Mudiad Meithrin. Mae Coleg Merthyr hefyd yn denant i'r Ganolfan.

Amcan strategol Canolfan Soar yw cyfrannu tuag at adfywiad canol tref Merthyr, drwy ddarparu lleoliad i bobl gwrdd, dysgu, cymdeithasu ac ymgysylltu ag addysg a'r celfyddydau. Nod gweithgareddau'r ganolfan yw cynyddu hyder, cynyddu hunan-barch ac ehangu gorwelion drwy'r celfyddydau ac addysgu tra'n cyfrannu at ddatblygiad economaidd yn lleol.

Methodoleg

Cwblhaodd Arad ymchwil desg i ddadansoddi data cymdeithasol-economaidd a gasglwyd gan Ganolfan Soar, megis niferoedd cynulleidfa, data gwariant ar nwyddau, gwasanaethau a staff, buddsoddiad pellach a atynnwyd a'r cyllid a grëwyd. Mae'r draweffaith economaidd flynyddol a grëwyd gan Ganolfan Soar yn seiliedig ar wariant uniongyrchol, anuniongyrchol a chamau pellach a ysgogwyd gan weithgareddau mae'r Ganolfan yn cynorthwyo.

Cwblhaodd Arad ystod o waith maes i gasglu data ansoddol a meintiol pellach yn ymwneud â thraweffaith economaidd a diwylliannol Canolfan Soar. Roedd y gwaith maes yn cwmpasu cyfweliadau gyda rhanddeiliaid strategol, staff Canolfan Soar a grwpiau cymunedol lleol, ynghyd ag arolygon o denantiad ac ymwelwyr Canolfan Soar.

Canfyddiadau allweddol

Mae datblygiad Canolfan Soar wedi arwain at draweffaith gref ar yr economi leol ym Merthyr Tudful. Cyfrannodd y Ganolfan **£594,100 – £608,537** i'r economi leol yn 2014 ac amcangyfrifir mai cyfanswm y traweffaith economaidd a grëwyd gan Ganolfan Soar o fewn economi de Cymru yw **£1.29 – £1.30 million**.

Mae Canolfan Soar hefyd wedi creu enillion cadarnhaol ar y buddsoddiadau cyllid a grant prosiect a dderbyniwyd. Mae'r **£173,000** a dderbyniwyd gan Ganolfan Soar mewn ffurf grantiau wedi arwain at draweffaith economaidd crynswth o **£323,310 – £331,170** o fewn Merthyr Tudful a **£707,47 – £709,810** ar draws de Cymru.

Drwy ddarparu gofod ar gyfer busnesau lleol, mae Canolfan Soar a'i denantiaid yn cyfrannu tuag at ddatblygu'r seilwaith economaidd lleol. Maent hefyd yn sicrhau traweffaith cadarnhaol pellach drwy ddarparu cyflogaeth a defnyddio ystod o gyflenwyr lleol. Mae'r Ganolfan hefyd wedi datblygu'n ganolbwyt cymunedol ac mae'n cynnal casgliad o fusnesau â meddylfryd tebyg sydd yn annog rhannu gwybodaeth a hybu partneriaethau creadigol.

Mae'r Ganolfan wedi datblygu'n bartner allweddol ar gyfer adfywiad economaidd ac amgylcheddol ar draws ardal Portmorlais ym Merthyr Tudful. Mae datblygiad Canolfan Soar wedi cyd-blethu â rhagleni adfywio lleol ac mae'r Ganolfan yn darparu lleoliad i bobl gwrrdd, dysgu, cymdeithasu ac ymgysylltu ag addysg a'r celfyddydau. Gellir gweld y Ganolfan felly fel sefydliad pwysig sydd yn denu pobl yn ôl at ganol y dref.

Mae'r pwyslais cryf ar etifeddiaeth ieithyddol a diwylliannol Merthyr Tudful wedi bod yn elfen hanfodol o draweffaith y Ganolfan. Mae'r Ganolfan wedi ymgysylltu â'r gymuned iaith Gymraeg a'r gymuned ehangach drwy hybu creadigrwydd a chyfranogaeth. Mae'r Ganolfan wedi datblygu fel canolbwyt i'r iaith Gymraeg ac mae wedi cyfrannu'n sylweddol at godi proffil yr iaith a chefnogi dysgwyr, siaradwyr Cymraeg a busnesau iaith Gymraeg.

Mae Canolfan Soar wedi gwneud cyfraniad pwysig tuag at newid canfyddiadau o Ferthyr Tudful fel lle ar gyfer digwyddiadau diwylliannol ac i ehangu mynediad i'r celfyddydau. Mae'r Ganolfan yn cyrraedd ei amcanion i ehangu cyfranogaeth, cwrdd â'r galw a chynyddu'r galw am weithgareddau celfyddydol a darparu rhaglen ddiwylliannol amrywiol ar gyfer bobl Merthyr Tudful a de Cymru.

Mae Canolfan Soar wedi datblygu ystod o bartneriaethau ar lefel strategol, rheoli ac artistig. Ar lefel leol, ystyri'r bod y Ganolfan yn gweithio'n llwyddiannus ac yn strategol gyda'r awdurdod lleol a sefydliadau eraill yn cyfrannu at adfywiad lleol a phrosiectau diwylliannol.

I gynnal y draweffaith hon mae angen i Canolfan Soar ddatblygu'r partneriaethau hyn ac ystyried gwneud ceisiadau ar y cyd am gyllid a digwyddiadau diwylliannol yn y dyfodol. Gall y partneriaethau hyn alluogi'r Ganolfan i ganolbwytio ar godi cyllid hirdymor yn ogystal â datblygu rhaglen gelfyddydol mwy masnachol i gynorthwyo'i dwf.

Dylid cydbwyso'r dull masnachol hwn drwy cefnogi digwyddiadau celfyddydau heriol ac o ansawdd ac ehangu'i apêl ddiwylliannol. Gellir sicrhau hyn drwy adeiladu ar y cryfderau iaith Gymraeg ac ymgysylltu â'r holl gymunedau ym Merthyr Tudful a de Cymru.

Executive summary

Arad Research was commissioned by Canolfan a Menter Gymraeg Merthyr Tudful to undertake an evaluation of the economic and cultural impact of Canolfan Soar.

The objectives of the study were:

- To present an evaluation of the economic and cultural impact of Canolfan Soar;
- To provide data that will inform and strengthen the future development and sustainability of Canolfan Soar and support future funding applications;
- To analyse any links between the economy and Canolfan Soar's focus on delivering activities associated with the Welsh language; and
- To contribute to a wider body of evidence on the economic and community regeneration of Merthyr Tydfil.

Background to the development of Canolfan Soar

In 2011 Canolfan a Menter Gymraeg Merthyr Tudful developed a Welsh language centre – Canolfan Soar - which offers a wide range of cultural, artistic and heritage opportunities to the people of Merthyr Tydfil. Canolfan Soar encompasses an old Welsh Chapel building that has been transformed into a Community Theatre and the adjoining vestry building is now a Welsh Language Centre. The Centre offers a shop, café, office accommodation for Welsh language promotion and other organisations and a Cylch Meithrin early years provision.

Canolfan Soar is home to a number of Welsh language organisations that serve the Merthyr Tydfil community. These are Canolfan a Menter Cymraeg itself, Urdd Gobaith Cymru, Cymraeg i Oedolion, Lles and Mudiad Meithrin. Merthyr College is also a tenant at the Centre.

Canolfan Soar's strategic goal is to contribute to the regeneration of Merthyr town centre, by providing a place for people to meet, learn, socialise and engage with education and the arts. Its activities aim to raise confidence, increase self esteem and broaden horizons through the arts and education while contributing to local economic development.

Methodology

Arad undertook desk research to analyse socio-economic data that Canolfan Soar had collected, such as audience numbers, expenditure data on goods, services and staff, further investment attracted and revenue generated. The annual economic impact generated by Canolfan Soar is based on the direct, indirect and subsequent rounds of expenditure induced by the activities supported by the Centre.

Arad undertook a range of fieldwork activities to collect further qualitative and quantitative data relating to the economic and cultural impact of Canolfan Soar. These activities comprised interviews with strategic stakeholders, Canolfan Soar staff and local community groups, along with surveys of Canolfan Soar's tenant businesses and visitors.

Key findings

The development of Canolfan Soar has had a strong impact on the local economy of Merthyr Tydfil. The Centre generated **£594,100 – £608,537** for the local economy in 2014 while the total economic impact generated by Canolfan Soar within the south Wales economy is estimated to be **£1.29 – £1.30 million**.

Canolfan Soar has generated a positive return on revenue and project grant funding investments received. The **£173,000** received by Canolfan Soar in the form of grants generates a gross economic impact of **£323,310 – £331,170** within Merthyr Tydfil and **£707,47 – £709,810** across south Wales.

Through its provision of space for local businesses Canolfan Soar and its tenants are contributing to developing the local economic infrastructure. They make a further positive impact by providing employment and using a range of local suppliers. The Centre has also become a community hub and is host to a cluster of like-minded businesses which is promoting knowledge exchange and creative partnerships.

Canolfan Soar has become a key partner for economic and environmental regeneration across the Portmirlais area of Merthyr Tydfil. Canolfan Soar's development has integrated with local regeneration programmes and the Centre is providing a place for people to meet, learn, socialise and engage with education and the arts. The Centre can thus be viewed as an important driver in encouraging people back into the town centre.

The strong emphasis on the linguistic and cultural heritage of Merthyr Tydfil has been an essential element of the Centre's impact. The Centre has engaged the local Welsh-speaking and wider community in Merthyr through encouraging creativity and participation. The Centre has become a Welsh language hub and is a key driver in raising the profile of the language and supporting learners, Welsh speakers and Welsh language businesses.

Canolfan Soar has made an important contribution to changing perceptions of Merthyr Tydfil as a place for cultural events and widening access to the arts. The Centre is delivering on its goals to widen participation, meet and increase demand for the arts and provide a varied cultural programme for the people of Merthyr Tydfil and south Wales.

Canolfan Soar has developed a range of partnerships at strategic, managerial and artistic level. At a local level the Centre is considered to be working successfully and strategically with the local authority and other organisations in contributing towards local regeneration and cultural projects.

To sustain this impact Canolfan Soar needs to further develop these partnerships and consider future joint funding bids and cultural events. These partnerships can allow the Centre to focus on leveraging in longer-term funding as well as developing a more commercial artistic programme to support its growth.

This commercial approach should be balanced with a focus on quality and challenging arts events and broadening the Centre's cultural appeal. This can be achieved through building on its Welsh language strengths and engaging with all communities in Merthyr Tydfil and south Wales.

1. Introduction

Arad Research was commissioned by Canolfan a Menter Gymraeg Merthyr Tudful to undertake an evaluation of the economic and cultural impact of Canolfan Soar.

The objectives of the study were:

- To present an evaluation of the economic and cultural impact of Canolfan Soar;
- To provide data that will inform and strengthen the future development and sustainability of Canolfan Soar and support future funding applications;
- To analyse any links between the economy and the Welsh language approach taken by Canolfan Soar; and
- To contribute to a wider body of evidence on the economic and community regeneration of Merthyr Tydfil.

With these objectives in mind, the evaluation focused on the impact of Canolfan Soar with regard to its:

- Economic impact;
- Cultural Impact;;
- Impact on the Welsh Language community;
- Impact on the wider local community.

This report presents findings from the fieldwork and data analysis undertaken between February and July 2015.

1.1 About Canolfan Soar

Canolfan a Menter Gymraeg Merthyr Tudful aims to promote the use of the Welsh language in Methyr Tydfil through impacting on community regeneration and economic development. The organisation is a Charity and Company limited by guarantee, managed by Trustee Directors who support a Chief Officer and a team of 5 staff who run activities and manage the centre.

The organisation has developed a Welsh language centre – Canolfan Soar - which offers a wide range of cultural, artistic and heritage opportunities to the people of Merthyr. Canolfan Soar encompasses an old Welsh Chapel building has been transformed into a Community Theatre and the adjoining vestry building is now a Welsh Language Centre, offering a shop, café, office accommodation for Welsh language promotion and other organisations and a Cylch Meithrin early years provision.

Canolfan Soar is home to Welsh language organisations that serve the Merthyr community, these are Canolfan a Menter Cymraeg itself, Urdd Gobaith Cymru, Cymraeg i Oedolion, Lles and Mudiad Meithrin. Merthyr College is also a tenant and uses the theatre as a rehearsal and performance space for its performing arts students. Other services include the offer of a Community Theatre, venue hire for meetings, activities, performances, and conferences.

Canolfan Soar was set up to provide learning opportunities for all sectors of the community. This includes offering activities such as Welsh for Adults, Adult Community Learning classes provided by organisations such as UHOVI, QWEST, WEA and Merthyr Tydfil Council, training opportunities from numerous providers and BTEC and Degree level courses provided by Merthyr College.

Canolfan Soar's original goals remain, namely to contribute to the regeneration of Merthyr town centre, by providing a place for people to meet, learn and socialise and engage with education and the arts. The aim of the Canolfan Soar's activities is to raise confidence, increase self esteem and broaden horizons through the arts and education while contributing to local economic development.

1.2 Overview of our approach

Arad undertook desk research to map out the overall context to the development of Canolfan Soar and the range of individual projects being supported. Arad used the desk research to gather and examine socio-economic data that Canolfan Soar had collected, such as audience numbers, expenditure data on goods, services and staff, further investment attracted and revenue generated. This data was combined with the qualitative and quantitative data collected during the fieldwork stage outlined below.

The annual economic impact generated by Canolfan Soar is based on the direct, indirect and subsequent rounds of expenditure induced by the activities supported by the centre. Our analysis of the impact focusses on the direct expenditure made by Canolfan Soar on wages, goods and services in the local economies of Merthyr and South Wales. It also takes into account expenditure on local wages and supplies made by tenants occupying commercial space within Canolfan Soar, as well as spending in the local economy, outside of Canolfan Soar, made by those visiting various events and activities hosted there.

The analysis also considers the knock on or induced effect of the direct and indirect expenditure generated. This is based on the premise that expenditure by an individual or organisation within the local economy serves as income for another. This is income, in turn, is likely to stimulate further rounds of spending within the local economy.

The analysis estimates the gross economic impact generated by Canolfan Soar. It does not take into consideration counterfactual i.e. the impact that may have been generated in the local economy in the absence of Canolfan Soar.

The data on Canolfan Soar expenditure in the local economy was gathered from the centre's 2013 – 14 accounts. Data on local expenditure made by Canolfan Soar Tenants was gathered during interviews with the tenants. The visitors expenditure data has been estimated from average spend figures provided by visitors during a survey conducted as part of this study¹.

¹ The findings are based on survey responses gathered from 84 visitors offering a confidence interval of 11% at the 95% confidence level

The further rounds of spending generated by this expenditure has been calculated using standard multipliers calculated during from previous studies e.g. Sheffield University, 2004 (see footnote 3)

To source further qualitative and quantitative data relating to the economic and cultural impact of Canolfan Soar Arad undertook a range of fieldwork activities. These activities comprised interviews with strategic stakeholders, Canolfan Soar staff and local community groups along with surveys of Canolfan Soar's tenant organisations and visitors.

Arad undertook ten interviews with stakeholders including Local Authority representatives, cultural organisations, local business groups and third sector organisations. The interviews covered

- Their / their organisation's relationship with Canolfan Soar;
- The economic and cultural impact of Canolfan Soar on Merthyr Tydfil;
- Partnership working; and
- Future development opportunities for Canolfan Soar.

Arad undertook a survey of visitors to Canolfan Soar during three weeks in March 2015 to provide a snapshot of visitor views. The survey was developed by Arad and distributed to visitors in paper format by staff in Canolfan Soar. A total of 84 visitors completed the survey. The survey focused on:

- The nature of their visit to Canolfan Soar;
- Their opinions on the impact of Canolfan Soar on the Merthyr Tydfil; and
- Their expenditure in Canolfan Soar and Merthyr Tydfil.

An electronic survey of Canolfan Soar's tenants was also undertaken and 4 out of the 5 tenants provided responses. The survey focused on:

- The nature of their business;
- Their views on the impact of Canolfan Soar on their business and Merthyr Tydfil;
- Their expenditure in the local area.

2. Economic impact

The following section of the report provides an analysis of the economic impact of Canolfan Soar. It calculates total expenditure and indirect expenditure by Canolfan Soar and its tenants and the resulting economic impact of the Centre on Merthyr Tydfil and wider south Wales. It also provides an assessment of the return on investment delivered by the Centre.

2.1 Economic impact analysis

Canolfan Soar expenditure

Canolfan Soar's total expenditure on goods, services and wages during 2013 – 14 was **£243,788**. Of this **£87,500** was spent within the Merthyr Tydfil area; **£99,700** was spent outside of the Merthyr area but within other areas of South Wales, and the remaining **£56,500** was spent outside of South Wales.

Visitor expenditure

During 2013 – 14 Canolfan Soar welcomed between 23,600 and 25,200 visitors. This includes around 21,000 visitors who attended various events and activities and a further 2600-5200 customers who visited the café and/or shop in the centre without attending an event visitors (representing 12-25% of all visitors).² The visitor survey analysis conducted as part of this study indicates that each visitor, **on average, spends £4.44**³ in the local economy of Merthyr (outside of Canolfan Soar). Applying this average spend to all visitors received during the year equates to a total visitor spend in the local economy of **£104,780 – £116,330**.⁴

Tenants' expenditure

Business tenants occupying commercial space within Canolfan Soar spend money on wages, goods and services within the local economy of Merthyr and further afield. Tenants' annual expenditure on wages, good and services in Merthyr was approximately **£283,000**. Tenants reported that they spend the same amount on goods and services outside of Merthyr but within other areas of South Wales.

Total expenditure

Total expenditure in Merthyr Tydfil resulting from direct expenditure by Canolan Soar and its tenants as well as indirect expenditure in the local economy made by visitors to the centre in 2013-14 = **£475,280 – £486,830**. This is comprised of:

² The café and shop customer numbers are based on the estimates of Canolfan Soar staff that 50-100 people visit the shop and or café each week without attending an event. These numbers are not formally recorded by Canolfan Soar.

³ The average visitor spend recoded for Canolfan Soar as part of this study is slightly lower than average visitor spend record in previous studies e.g. *An economic impact study of UK Theatre* (2008) *An economic impact study of Rhyl Pavilion Theatre* (2008) and *An economic impact study of Torch Theatre Milford Haven* (2002/3) which suggest an average visitor spend ranging from £5 to £7.

⁴ This includes £93,240 from those who attend events or activities and between £11,500 and £23,090 from café and shop customers who do not attend events. This assumes constant visitor spend for these groups.

- Canolfan Soar direct expenditure: £87,500
- Visitor expenditure: £104,780-£116,330
- Tenant expenditure: £283,000

Total expenditure in South Wales (including Merthyr) resulting from direct expenditure by Canolan Soar and its tenants as well as indirect expenditure in the local economy made by visitors to the centre in 2013-14 = **£857,980 – £869,530**. This is comprised of:

- Canolfan Soar direct expenditure: £87,500 + £99,700
- Visitor expenditure: £104,780-£116,330
- Tenant expenditure: £283,000 + £283,000

If further rounds of spending induced by the direct and indirect expenditure noted above are taken into consideration then the annual economic impact generated is higher. As the economy of Merthyr Tydfil is focussed on a relatively small area it is less likely that much of the further rounds of induced spending will be retained within the local economy i.e. much of the income gained by local businesses as a result of the direct and indirect expenditure will be spent outside of Merthyr. The multiplier effect in this area will therefore be less than that experienced across larger economic areas. On the other hand the south Wales economy spans across a wider geographical and population area. As a result more of the spending made across South Wales is likely to be retained within the south Wales economy.

The multiplier effect to adjust for additional rounds of induced spending across the south Wales economic region is assumed to be 1.5.⁵ The multiplier effect for Merthyr will be less than this (assumed at approximately 1.25).

Taking these multiplier effects into consideration:

- The total economic impact generated by Canolfan Soar activities within the economy of Merthyr in 2014 is estimated to be **£594,100 – £608,537**
- The total economic impact generated by Canolfan Soar activities within the South wales economy in 2014 is estimated to be **£1.29 – £1.30 million**

Return on investment

Canolfan Soar generated an income of **£317,932** during 2014. Almost half of this (46%) was generated from rent, activities and events held at the centre and the theatre as well as income from translation work and the play scheme. The remaining 54% of the income was generated from grants received from the Welsh Government, Big Lottery, Heritage Lottery and Merthyr Tydfil CBC.

This means that every £1 of income received by Canolfan Soar generates a gross impact of **£1.87 – £1.91** within Merthyr Tydfil and **£4.05 – £4.10** within the economy of South Wales. The **£173,000** received by Canolfan Soar in the form of grants can therefore be considered to generate a gross economic impact of **£323,310 – £331,170** within Merthyr Tydfil and **£707,470 – £709,810** across South Wales.

⁵ Based on the formula used by Sheffield University in 'An economic impact study of UK Theatre' (Arts Council, 2004).

2.2 Stakeholder views

The consensus amongst stakeholders was that Canolfan Soar was having a positive impact on supporting the local economy, although this was largely based on perceptions rather than any specific data.

For these stakeholders the Centre has encouraged more professional business events in Merthyr through the provision of space for conferences and meetings and television programmes such as the recent broadcasting of Pawb a'i Farn. Many of the stakeholders pointed out that Canolfan Soar and its respective tenants employ locally and source supplies locally, all of which contributes to the economy of Merthyr Tydfil. Others noted that the Centre attracts visitors from beyond Merthyr and the south Wales valleys and that this can add to economic activity in the area, and enhance its profile as an area for cultural events.

'The social enterprise element can deliver economic impact. It has made a positive impact overall and is a model as a cultural centre/ café / bookshop to deliver employment and economic growth. It is broadening Merthyr's appeal as a place to do business through its facilities, exhibitions and conferences.'

Stakeholders reported that local businesses are able to promote additional events at the Centre. Stakeholders and tenants noted that visitors who attend specific events, for example history lectures or theatre performances, see the Centre as an attractive venue and stay on for refreshments and activities in the Centre and at other locations in Merthyr Tydfil. Several stakeholders reported the Centre's cultural events further help promote the local economy e.g. through promoting local artists and selling local crafts, and through sales at the bookshop.

'The businesses within the Centre are local businesses that would not exist without the framework of the Centre.'

2.3 Leveraging in additional investment

Canolfan a Menter Gymraeg Merthyr Tudful secured nearly £1.4m towards the original refurbishment project for Canolfan Soar. The largest of these capital grants included £580,000 from the Heritage Lottery Fund towards development, refurbishment and revenue costs; £420,000 from the Welsh Assembly Government Communities Facilities and Activities Programme towards refurbishment and as a capital grant for the theatre; and £300,000 from the Heads of the Valleys Regeneration fund as a capital grant towards works in the Centre.

The Centre has also gained a range of capital and revenue grant funding including numerous smaller grants, such as almost £10,000 from the Coalfields Regeneration Trust and almost £20,000 in capital asset grants from Merthyr Tydfil County Borough Council.

The Centre continues to gain capital and revenue grants from a range of sources, including almost £65,000 from Big Lottery and £10,000 from the Heritage Lottery Fund in 2013-14

and over £25,000 from both the Arts Council and POSSIB in 2012-13. Core funding is currently provided by Welsh Government (£57,454 in 2013-14) and Merthyr Tydfil County Borough Council (through a service-level agreement worth just over £15,000 annually).

Stakeholders considered that Canolfan Soar has been very successful in leveraging in funding from other sources. As detailed above, they reported that Canolfan Soar has brought in funding from a wide range of sources to support the building's restoration, development and the artistic programming. This diversification of funding strategies and sources was considered key to its success.

The success is also attributed by stakeholders to a range of further factors including effective strategic planning, a good understanding of the funding climate in Wales and the successful targeting of a range of funding sources. Sources identified included the arts, heritage and restoration, economic regeneration, building redevelopment, and Welsh language. As the economic analysis has illustrated the return on this investment has had a positive impact on the economy of Merthyr Tydfil as well as the wider south Wales economy.

3. Cultural and environmental impact

3.1 Cultural impact

For stakeholders Canolfan Soar has become a key venue in Merthyr for concerts, theatre and other cultural activities. It is considered by all those interviewed to be a very welcoming venue, offering a wide range of cultural activities including concerts, plays, dance and visual arts. Several stakeholders noted the centre also hosts political events, supports bilingual activities and acts as a social hub.

'It's a small scale venue, it has its place in Merthyr, it's something very tangible. It has improved the cultural offer of the town, and is helping Merthyr build up a new lease of life.'

The majority of the stakeholders considered the cultural events held in the Centre to be of a good quality. However, there was a recognition from some that events have been focused more on engagement and participation (through activities such as children's dance classes, school events, workshops, and community opera). All stakeholders considered that the Centre's participatory arts programme was exemplary, and key to embedding itself in the town's consciousness.

'The 'vibe' of the Centre is great, the venue is always relaxed, the staff are helpful and the theatre is of a very good standard.'

For several stakeholders a high quality, challenging arts programme is nonetheless currently missing from Canolfan Soar. These individuals nevertheless acknowledged that progress was being made towards encouraging and showing professional performing arts of a high standard.

'It must not be forgotten then until recently, cultural activity in Merthyr was rare and ad hoc...getting local people in the habit of attending cultural events is a real achievement.'

All stakeholders noted that Merthyr is not traditionally bilingual however the Welsh language element of the Centre's work and ethos was considered an essential part of its development and growth. The Welsh language considered by all stakeholders to have been the driving force behind the development of the Centre and the key to its strong identity within Merthyr Tydfil. This process was linked to the strategic goals of Canolfan Soar tenant associations such as the Urdd, Menter Iaith, Lles as well as Canolfan a Menter Gymraeg Merthyr Tudful itself.

'We decided to base ourselves in the Centre because we saw the value in locating within a community that reflected our own values.'

Canolfan Soar was thus considered to be making a strong contribution to the profile of the language in an area not known for high levels of Welsh speakers. For some stakeholders the strong focus on Welsh language activity links to aspirations for the language and growing its uptake in the area. The Centre was therefore considered to have a key driver in raising the profile of the language and supporting learners as well as Welsh speakers. It provides an opportunity for Welsh speakers to gather and participate in the community and

it was reported that the outreach, educational and cultural work the Centre undertakes with local Welsh medium schools was a key element of this.

'The Centre has become an attractive hub for those who just want to know more about Welsh culture in general, as well as the Welsh language specifically.'

'Good will towards the Welsh language has improved significantly in the town and this is not just because of the bricks and mortar of the Centre itself, but because of its presence in the town.'

All stakeholders pointed to the cultural and community benefit delivered by the Centre's Welsh language activities, but most were unsure whether there were wider economic benefits associated with such an approach. Several stakeholders did nevertheless comment on the perceived economic benefit of promoting the Welsh language.

For these stakeholders, the development of Canolfan Soar has created new jobs, including Welsh language jobs that wouldn't have existed before – thereby providing opportunities for people to work and use their language locally. One stakeholder also commented that the translation service working from the Centre also supports local businesses to provide additional services bilingually.

While the economic analysis cannot isolate this element of the Centre's impact the clustering of Welsh language businesses, its role as a Welsh language hub and the supporting Welsh language cultural programme are all contributing to the local and regional economic impact of the Centre.

'Welsh-language skills are under-used in this area, there is no real economic development mechanism that targets opportunities in Welsh, so it's an untapped economic resource.'

Several stakeholders did, however, point to the 'balancing act' required in terms of developing a sustainable cultural offer to the wider population of Merthyr Tydfil. This was particularly linked to the necessity for the Centre to broaden its cultural appeal. One stakeholder believed that the insistence on bilingual publicity for everything does '*put some people off*' while several stakeholder commented that there was some 'resistance' with the town to Welsh language only cultural events.

'It's a difficult balance that they have – they are funded to promote Welsh language and culture. They do that with passion and conscientiousness. Its high quality provision but they are not taking the easy option. It has been more of a struggle to persuade English language theatre goers.'

3.2 Impact on the built environment

Stakeholders considered that the facilities developed and currently offered by Canolfan Soar as part of its appeal and its impact on Merthyr Tydfil. Tenants were also extremely positive in this respect. For example one tenant moved from their venue in Rhydcar to Canolfan Soar about two years ago because Soar offered '*much better facilities and equipment*'. The tenant now holds programmes of history lectures in Theatr Soar. Another tenant reported that being located at the Centre has allowed them to '*become an integrated part of cultural life in Merthyr. Compared to our previous venue, here we're not isolated, there are lots of other events happening around us.*'

All stakeholders were extremely positive about the impact that Centre has had in improving Merthyr's built environment. For these stakeholders the transformation of the Centre ties in with the wider physical regeneration programme for Merthyr and integrates well into local regeneration packages. It was reported by Canolfan Soar representatives and other stakeholders that the building's redevelopment has been linked to the Townscape Heritage initiative. There are other old buildings being redeveloped now in Pontmorlais, linked to the regeneration led by Canolfan Soar and Redhouse. Several stakeholders pointed to arts and culture influencing town planning and that the Centre can play an ongoing central role in the redevelopment of Penderyn Square.

'Canolfan Soar has had a high-profile visual impact on the area, as with other local regeneration projects.'

'Canolfan Soar has been a catalyst for the regeneration of Pontmorlais. People can see things are happening in the area now, investment is going in and this is being supported by the Local Authority who are driving changes in the public realm.'

The renovation of the building was praised for its excellence and making good use of an abandoned space, lending itself to both the hosting of events and for the general visitor. All stakeholders noted that there was no modern facility for the arts in Merthyr until Canolfan Soar and it has provided a venue that was needed and missing from the area. The transformation of the rear of the building and the provision of a new car park and access was cited as being an important element of the redevelopment. This was considered to provide good facilities for people wanting to go to events and further encourage people back into the Pontmorlais part of town.

'The Centre has filled a fairly key gap in the area and the landscape has changed astoundingly, the Centre offers space that was fairly rare in the town previously.'

The visitors survey (see section 3.3 below) suggests that people visit the Centre for a range of specific activities, but it has also become a community hub, with people visiting for a coffee or food. *'If you talk to people in Merthyr about the Centre, people do know about it, they know exactly what it is and what activities are available'*. One cultural organisation, which regularly organises events there such as a community opera considered that *'the café is really good, so are the facilities.'* For another stakeholder, the quality of the facilities was matched by *'the welcome given by tenant companies' staff.'*

Some stakeholders did note, however that the Centre is somewhat 'tucked away' and has no 'natural connection' to the high street in Pontmorlais. They considered that this can hinder attempts to attract new visitors and audiences and potentially limit the impact of the Centre. Signage was considered to be a problem for those not from Merthyr Tydfil. As one stakeholder noted, *'the flow of people is a work in progress – they need to work in partnership with the council on this.'*

3.3 Visitor survey responses

Of the 83 visitors who indicated where they live, 45.8% live in Merthyr Tydfil, 50.6% live outside of Merthyr Tydfil but within south Wales and 3.6% live outside of south Wales. Visitors were asked how often they visit Canolfan Soar. Of the 81 who responded to this

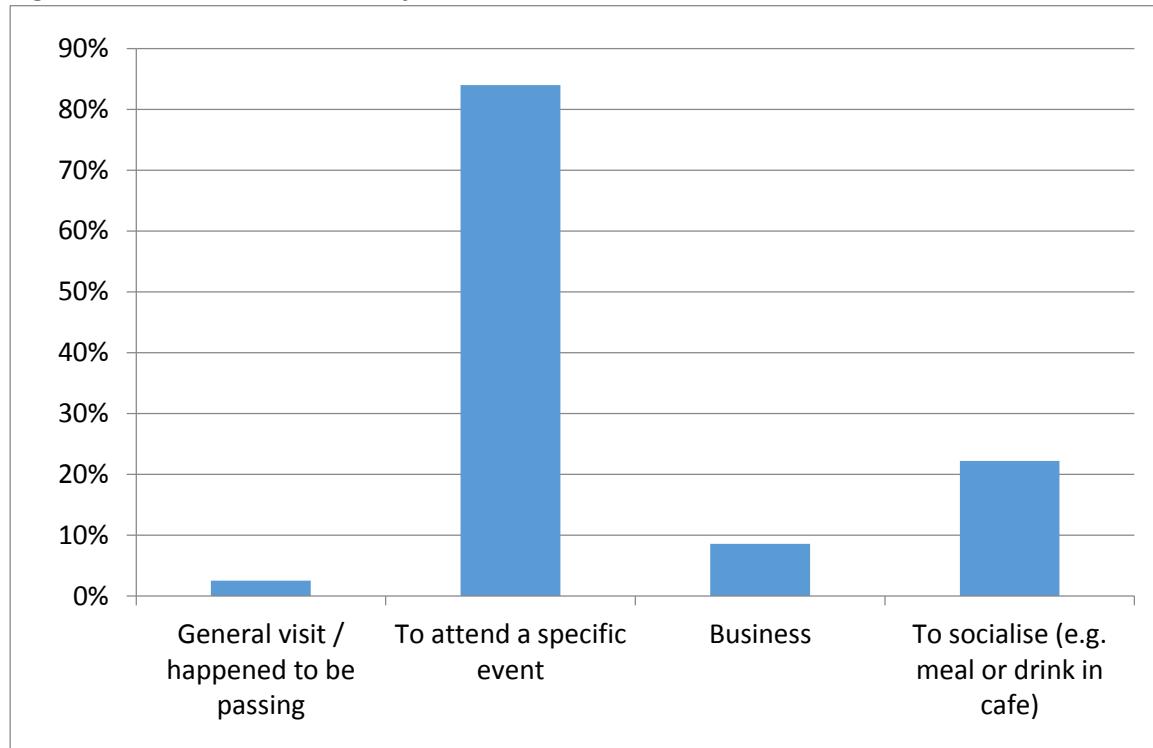
questions, the majority (56.8%) said that they visit Canolfan Soar on a weekly basis. 8.6% said they visit Canolfan Soar monthly, 21% less than once a month and 13.6% said that they had only visited Canolfan Soar once.

Visitors were asked "If Canolfan Soar did not exist, where else would you go to attend the kind of event you attended today?" Of the 76 visitors who responded to this question, the large majority (67.1%) said that they would go to another venue outside of Merthyr Tydfil but within south Wales. A further 30.3% said they would go to another venue in Merthyr. Only 2.6% said they would go somewhere else outside of south Wales.

When offering the reason for their visit to Canolfan Soar, visitors most commonly indicated that their reason was to attend a specific event (84%). 22.2% said that the reason for their visit was to socialise and 8.6% said they had visited for business purposes. The least common reason was that it was a general visit or that the visitor happened to be passing, only 2.5% indicated this as the reason for their visit. Additionally, 12.3% of visitors who responded to this question provided other reasons for their visit. These reasons included the following:

- Drama class
- Adren, Theatre Gybolfa.
- Theatr Gybolfa Adren.
- Child attending clubs or drama class.
- Weekly classes
- Buy books / cards.
- Mentrâu Iaith training.
- Welsh class.

Figure 1. What is the reason for your visit to Canolfan Soar?



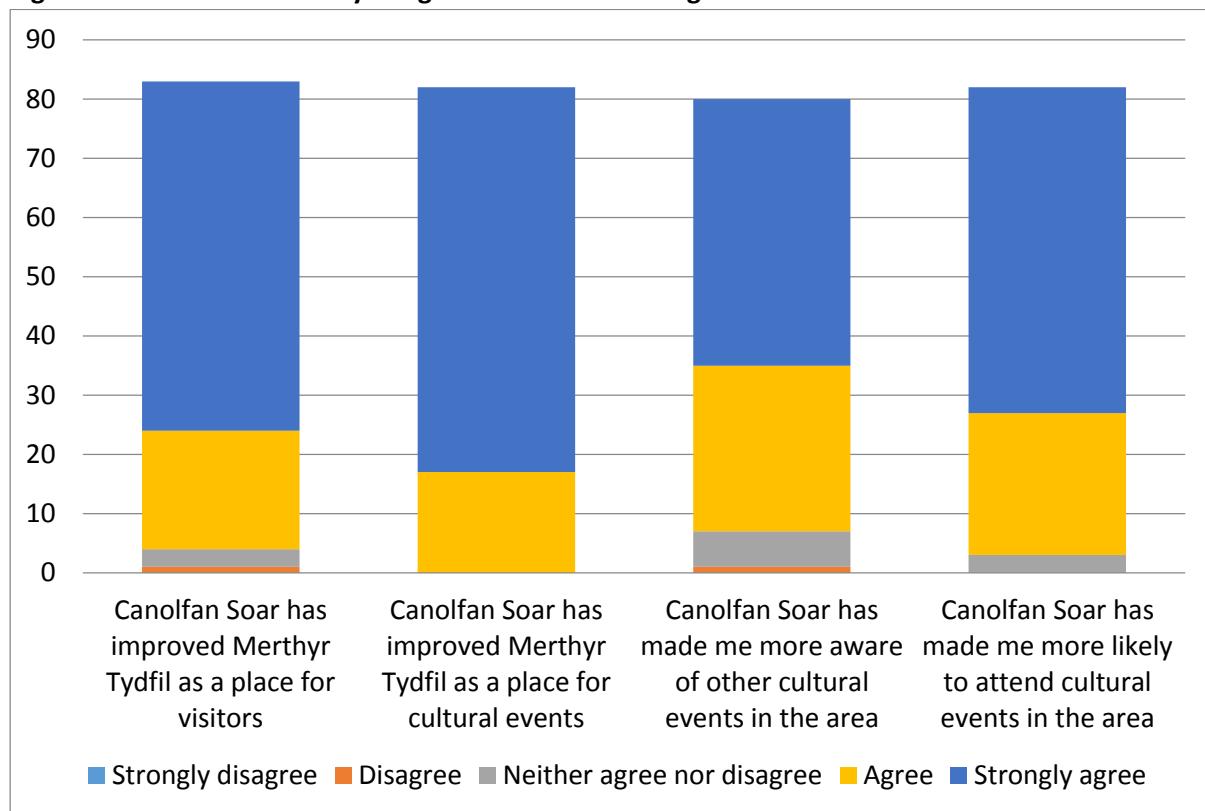
N= 81

Source: Visitor survey

Visitors were asked to indicate the extent to which they agreed or disagreed with a number of statements relating to Canolfan Soar and its impact on Merthyr Tydfil and whether it has increased visitors awareness of other cultural events in the area. A total of 83 visitors responded to these statements and their responses are summarised below.

- 71.1% strongly agreed and 24.1% agreed that Canolfan Soar has improved Merthyr Tydfil as a place for visitors.
- 79.3% strongly agreed and 20.7% agreed that Canolfan Soar has improved Merthyr Tydfil as a place for cultural events.
- 56.3% strongly agreed and 35% agreed that Canolfan Soar has made them more aware of other cultural events in the area.
- 67.1% strongly agreed and 29.3% agreed that Canolfan Soar has made them more likely to attend cultural events in the area.

Figure 2. To what extent do you agree with the following statements?



N=83

These findings provide a snapshot of visitor views regarding the development of Canolfan Soar and its impact on Merthyr Tydfil. The views correspond to those views expressed by stakeholders, particularly in regard to perceptions of improvements to the built environment and cultural offer of Merthyr Tydfil. A large majority of visitors also strongly agreed that the Centre has made them more likely to engage with culture in and around Merthyr. This suggests that the Centre is delivering on its goals to widen participation, meet and increase demand and provide a varied cultural programme for the people of Merthyr Tydfil and wider south Wales.

4. Partnerships and sustainability

4.1 Partnerships

All stakeholders considered that Canolfan Soar has developed a range of successful partnerships over the years. These range from local cultural and community groups and cultural organisations across the south Wales valleys to national organisations (e.g the Urdd), and funders. At a local level the Centre is considered to be working successfully and strategically with the Local Authority regarding local regeneration and culture.

For example, the Centre is part of the Heritage Forum, which looks at the planning of heritage events in the area. Examples of partnerships with local cultural organisations include working on the forthcoming Gwanwyn Festival, aimed at older people and promoting their creativity, alongside Redhouse, Penderyn Square and Head 4 Arts.

Merthyr College is a tenant of the Centre and this has led to close partnerships being developed to support joint cultural and educational aims in Merthyr and further afield. The college is delivering BTECs, A levels and foundation degrees in performing arts and uses the theatre as a rehearsal and performance space. The cultural programme of the Centre has also provided opportunities for college students and tutors to engage with a range of productions at a local level and meet, and be inspired by, artists and individuals working in the creative industries.

'There are a high number of community organisations within a small geographical area and with compatible aims, and the Centre has successfully acted as a focus point for such activity.'

The partnerships being developed with Redhouse (another cultural venue with a theatre in Pontmollais) was considered to be particularly important in enhancing Merthyr's cultural offer in future. A project manager from Redhouse sat on the Centre's theatre committee and both venues are working together. Several stakeholders also noted that the Centre's tenants also work together well and that this was building networks at a local level. This clustering of like-minded companies is another positive impact of the Centre and it was considered that it provides an informal space for partnership working - *'the space means there will be a collection of people and creative people will therefore meet and work together.'*

4.2 Future development

As detailed in other sections the Centre has brought in funding from a wide range of sources to support the building's restoration, development alongside artistic programming. This diversification was considered to have been key to its success.

'Canolfan Soar is up there with the most successful voluntary sector community activities in Merthyr in leveraging investment.'

Nevertheless some challenges were identified by stakeholders, linked to the sustainability of current funding approaches, a potential over-reliance of grant funding, the current financial climate and lack of investment in the arts, and increased competition for cultural funding within Merthyr Tydfil, notably from Redhouse Theatre in Pontmollais. As one

stakeholder noted, '*now that the Centre is established, it's harder to apply for some funding.*'

Another stated, '*their honeymoon period is over and they now have to keep their profile high.*' Generally it was agreed by all stakeholders that Canolfan Soar has good track record of promoting itself but noted that joint funding bids and arts events and developing a more commercial artistic offer may be necessary in future to sustain and grow the Centre further.

For stakeholders the key future goal for the Centre was continued sustainable development through broadening its cultural and artistic appeal while also bringing in more commercially viable projects. While it was recognised that the Centre has successfully leveraged in a wide range of funding there was some concern that this was mainly on short term project basis and that a greater focus on core funding will be necessary to secure longer term planning and staffing. This approach could potentially mean significant additional time and staff resources to secure this type of investment, particularly when the current economic climate of Merthyr Tydfil remains challenging.

For several stakeholders the Centre's current weakness is a lack of marketing. This view is based on their perceptions that many local people did not know about the Centre or its cultural and commercial offer. Again, they considered that more resources are required to help the Centre increase awareness and participation levels within Merthyr Tydfil itself and across the south Wales valleys.

'The Centre certainly makes a cultural difference and attracts the attention of people who had no interest in culture beforehand. But it doesn't have the same cultural impact on non-Welsh speakers yet.'

This focus on sustainable development, marketing and funding was linked by stakeholders to a refocusing and reaffirming of the Centre's key strategic aims and objectives. It was considered by many stakeholders that the Centre has to broaden its appeal and make its programming central to Merthyr's cultural offer while retaining its strengths in Welsh language provision. While it was acknowledged that Canolfan Soar and Redhouse were sometimes competing for funding stakeholders considered that more attention was required to joint working to enhance the broad artistic offer for Merthyr Tydfil.

'It's a new era for Canolfan Soar, and for Merthyr, there is lots of heritage-led regeneration and the Centre can be part of this process - in a way it kickstarted it. It's a model to inspire people but they have to expand their outreach activities, to increase local participation in the arts.'

This was linked to having effective succession planning in place. It was noted that, Canolfan Soar, as with many similar community organisations is being driven by dedicated individuals. As one individual noted, '*the staff are a particular strength of the Centre.*' This was considered to be a major positive for the Centre however it was suggested that Canolfan a Menter Gymraeg Merthyr Tudful should also ensure there is a strong management structure (at a board and team level) in place to ensure sustainable growth and ease succession planning.

'Places like Canolfan Soar are essential for the future of town centres. They create a vibrancy, and a more diverse evening economy. The centre also provides an excellent marketing opportunity for Merthyr as a town. It's a place to meet, to hold events and festivals and to help challenge perceptions of Merthyr.'

5. Conclusions

Canolfan Soar is delivering a range of cultural and economic benefits for Merthyr Tydfil and the wider south Wales valleys. The Centre is having a positive impact on the local economy of Merthyr Tydfil while contributing to ongoing urban regeneration through improvement of the built environment and providing a quality town centre meeting venue. The community arts and cultural programme is contributing to encouraging engagement with the arts and promoting Merthyr Tydfil as a cultural venue.

The development of Canolfan Soar has had a strong impact on the local economy of Merthyr Tydfil. The Centre generates **£594,100 – £608,537** for the local economy in 2014 while the total economic impact generated by Canolfan Soar within the south Wales economy is estimated to be **£1.29 – £1.30 million**. Canolfan Soar also delivers a positive return on revenue and project grant funding investments made. The diversification of funding strategies and effective planning and delivery was considered key to this success.

Through its provision of space for local businesses Canolfan Soar and its tenants are contributing to developing the local economic infrastructure, making a further positive impact by providing employment and using a range of local suppliers. The Centre has become a community hub and is host to a cluster of like-minded businesses which is promoting knowledge exchange and creative partnerships.

Canolfan Soar has developed into a key partner for the economic and environmental regeneration across the Portmirlais area of Merthyr Tydfil. Its development has integrated well into local regeneration packages and the Centre is meeting its own strategic goals by providing a place for people to meet, learn and socialise and engage with education and the arts. The Centre can thus be viewed as an important driver in encouraging people back into the town centre.

The strong focus on the linguistic and cultural heritage of Merthyr Tydfil has been an essential element of the Centre's impact, engaging the local Welsh speaking and wider community in Merthyr and encouraging creativity and participation. The Centre has become a Welsh language hub and is a key driver in raising the profile of the language and supporting learners as well as Welsh speakers and Welsh language businesses. This is all contributing to the local and regional economic and cultural impact of the Centre.

Canolfan Soar has made an important contribution to changing perceptions of Merthyr Tydfil as a place for cultural events and widening access to the arts. Visitors and stakeholders are generally pleased with quality of events and the facilities within the Centre. The Centre is thus delivering on its goals to widen participation, meet and increase demand for the arts and provide a varied cultural programme for the people of Merthyr Tydfil and wider south Wales.

Canolfan Soar has developed a range of partnerships at strategic, managerial level and artistic level. At a local level the Centre is considered to be working successfully and strategically with the local authority and other organisations regarding local regeneration and cultural projects.

To sustain this impact Canolfan Soar needs to further develop these partnerships and consider future joint funding bids and cultural events. These partnerships can allow the Centre to focus on leveraging in longer term funding as well as developing a more commercial artistic offer to support its growth. This commercial approach should be balanced with a greater focus on quality and challenging arts events and broadening its cultural appeal through building on its Welsh language strengths and engaging with all communities in Merthyr and south Wales