Deyton Bell Limited

ASSESSMENT OF THE ECONOMIC AND SOCIAL VALUE OF THE CULTURAL SECTOR IN GWYNEDD

Economic Assessment

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Assessment of the economic value of the cultural sector in the Gwynedd area

Executive Summary

This report assesses the economic and wider social value of the cultural sector across Gwynedd and provides an evidence base to inform future investment, policy development, and the implementation of the Gwynedd Cultural Action Plan. The assessment has been prepared to demonstrate the contribution that culture makes to Gwynedd's economy through employment, organisational activity, visitor expenditure, supply chains, and wider local economic resilience, while also recognising the broader wellbeing and community benefits generated by cultural participation and investment.

The analysis finds that the cultural sector in Gwynedd generates an estimated total annual economic contribution of £316.07 million. This comprises £121.98 million of direct economic activity generated by cultural organisations and cultural businesses themselves, £135.54 million of indirect impact through supply-chain expenditure, and £58.55 million of induced impact generated by the spending of wages and earnings within the wider regional economy. Taken together, these findings demonstrate that culture is a significant economic sector within Gwynedd and one that supports activity well beyond the organisations directly delivering cultural provision.

The direct contribution of the sector reflects the breadth and diversity of cultural activity taking place across the county. The largest element of direct economic value is generated by the Creative Industries and wider cultural business sector, estimated at £77.63 million per annum. Heritage attractions, museums, and archives contribute a further £28.62 million, underlining the importance of Gwynedd's distinctive historic environment and internationally recognised cultural assets. Performing arts and events, craft and applied arts, libraries and literature, and visual arts and galleries each make additional contributions, demonstrating that the sector functions as an interconnected cultural economy rather than a set of isolated activities.

The analysis also shows that the cultural sector has strong multiplier effects across Gwynedd's wider economy. Indirect effects are generated as cultural organisations purchase goods and services from businesses in areas such as maintenance, transport, marketing, retail, construction, and professional services. Induced effects arise when those employed directly and indirectly through the sector spend their income locally. These wider impacts are substantial and show that the economic value of culture extends beyond immediate organisational income to support broader business activity, jobs, and expenditure across Gwynedd.

A further finding of the report is that the cultural sector generates significant wider social value. Using HM Treasury Green Book-aligned wellbeing valuation methods, the

assessment estimates that cultural activity in Gwynedd generates £178.02 million of social value annually. This includes value associated with economic outcomes, health and wellbeing, social and community cohesion, education and skills, environmental stewardship, and cultural identity. While the main emphasis of this report is economic, the scale of wider social value reinforces the conclusion that culture contributes materially to Gwynedd's quality of life as well as to its economy.

The report has been developed using a robust and proportionate methodology designed to reflect the characteristics of Gwynedd's cultural economy. The assessment combines national and local datasets, evidence from cultural organisations, visitor economy information, case study material, and established multiplier techniques. Direct effects are estimated from observed turnover, expenditure, attendance, and organisational activity where data are available, while indirect and induced effects are modelled using recognised economic relationships and assumptions on local capture, leakage, and household expenditure. Social value is treated as a separate analytical strand, using recognised proxy measures and wellbeing valuation approaches to estimate outcomes that are not directly priced in markets.

Overall, the evidence demonstrates that culture should be understood as an important part of Gwynedd's economic infrastructure rather than as a discretionary or peripheral activity. The sector supports local employment, attracts visitors, sustains supply chains, strengthens towns and communities, and contributes to the attractiveness of Gwynedd as a place to live, work and visit. The findings provide a clear basis for continued investment in cultural infrastructure, programming and organisational capacity, and they establish an evidence base from which future priorities can be identified and progress monitored over time.

1. INTRODUCTION

This report has been prepared by Deyton Bell and Counterculture on behalf of Cyngor Gwynedd to assess the economic and social value of the cultural sector across Gwynedd.

The study has been commissioned as part of Cyngor Gwynedd's wider programme to support and strengthen culture across the county, following successful funding secured through the Welsh Government's *Priorities for Culture – Extended Local Support for the Museums, Archives and Libraries Sector* programme. The commission responds to a growing recognition of the importance of culture in supporting thriving communities, economic resilience, wellbeing, identity, and the Welsh language throughout Gwynedd.

The cultural sector, as defined by Welsh Government, encompasses the arts, museums, libraries, archives, the historic environment, and the Creative Industries. Collectively, these activities and organisations make a substantial contribution to the quality of life of Gwynedd residents, support employment and local businesses, attract visitors, safeguard heritage, and create opportunities for participation, learning, and creativity.

The purpose of this assessment is to establish a robust evidence base demonstrating the current contribution of culture to Gwynedd's economy and society. The findings are intended to support future investment, inform decision-making, strengthen advocacy for the sector, and be a foundation for the development of the Gwynedd Cultural Action Plan.

The report examines both the measurable economic impacts generated by cultural activity and the wider social value created through participation, engagement, volunteering, wellbeing, community cohesion, cultural identity, and the promotion of the Welsh language. The assessment draws upon national and local datasets, evidence provided by cultural organisations and partners, stakeholder engagement, and a series of case studies highlighting examples of good practice from across the county.

This work has also been informed by discussions already undertaken through the Gwynedd Cultural Network and the development of a shared vision for culture in Gwynedd. That emerging vision recognises culture as a vital and innovative force rooted within communities, enriching wellbeing, strengthening identity, supporting economic prosperity, and celebrating the Welsh language and the unique heritage of Gwynedd. The objectives of this report are to:

- Assess the economic value of the cultural sector in Gwynedd.
- Assess the social value and wider community benefits generated through cultural activity.
- Identify examples of effective practice and innovation within the sector.
- Highlight current strengths, challenges, and opportunities.
- Provide an evidence base to inform the Gwynedd Cultural Action Plan and future investment priorities.

- Support the continued development of a connected and resilient cultural sector across Gwynedd.

The report should be viewed as both an assessment of the sector's current contribution and a strategic resource to support the future development of culture in Gwynedd.

2. BACKGROUND AND AIMS OF THE STUDY

2.1 Background

Culture plays a significant role in the economic life of Gwynedd. The county is home to a diverse range of cultural organisations, activities, venues and practitioners, including museums, libraries, archives, heritage sites, arts organisations, festivals, creative practitioners, and community-led cultural initiatives. Together, these contribute to local employment, support tourism, attract external investment and generate spending across a range of sectors.

Cyngor Gwynedd has undertaken significant work in recent years to strengthen collaboration across the cultural sector, including the establishment of the Gwynedd Cultural Network and engagement with cultural organisations throughout the county. These discussions have highlighted the importance of culture not only as a social and community asset, but also as an economic driver that contributes to the vitality and resilience of Gwynedd's communities.

The cultural sector also plays a key role in supporting wider policy objectives, including the Well-being of Future Generations (Wales) Act 2015, Welsh Government cultural priorities, economic development ambitions, and the promotion of the Welsh language. Culture contributes directly to employment and business activity while also supporting tourism, place-making, community confidence, and the attractiveness of Gwynedd as a place to live, work and visit.

Despite this importance, there has not previously been a comprehensive assessment of the economic value generated by the cultural sector across Gwynedd. This study seeks to address that evidence gap and provide a clear understanding of the contribution culture makes to the local economy.

2.2 Aims of the Study

The primary aim of this study is to assess the economic value of the cultural sector within Gwynedd and to establish a robust evidence base to support future decision-making and investment.

The study seeks to:

- Quantify the direct economic contribution of the cultural sector within Gwynedd.
- Assess the indirect and induced economic impacts generated through cultural activity, employment, and supply chains.
- Examine the contribution of culture to visitor expenditure and the wider visitor economy.
- Identify the economic value generated through publicly funded cultural activity and investment.
- Demonstrate the contribution of culture to local economic resilience, employment, and creative business growth.

- Provide evidence to support future funding applications, policy development, and strategic planning.
- Inform the development and implementation of the Gwynedd Cultural Action Plan.

The assessment is intended to provide both a snapshot of the current economic contribution of culture and a framework that can support future monitoring and evaluation of the sector.

3. SCOPE OF THE STUDY

This assessment examines the economic contribution of the cultural sector within Gwynedd. The study considers the broad definition of culture adopted by Welsh Government, encompassing the arts, museums, libraries, archives, and the historic environment, and the Creative Industries.

3.1 Areas of Analysis

The assessment focuses on the following dimensions of economic impact:

- Employment and workforce impacts, including jobs directly supported by cultural organisations and activities.
- Organisational expenditure and local supply chain impacts arising from the purchase of goods and services.
- Income generation through cultural activity, including ticket sales, admissions, memberships, commissions, grants, and commercial activity.
- Visitor expenditure associated with cultural participation, including spending on accommodation, food and drink, transport, retail, and other local services.
- Indirect and induced economic effects generated through spending by cultural organisations, employees, and visitors.
- The wider contribution of culture to economic development, place attractiveness, and the visitor economy.

3.2 Exclusions

This report focuses solely on the economic contribution of culture within Gwynedd.

The study does not seek to provide a detailed assessment of social, cultural, educational or wellbeing impacts, which are considered separately within the wider commission. Similarly, the assessment does not quantify environmental impacts, carbon reduction benefits or wider societal outcomes generated by cultural activity.

3.3 Limitations

The findings presented within this report should be interpreted in the context of several limitations.

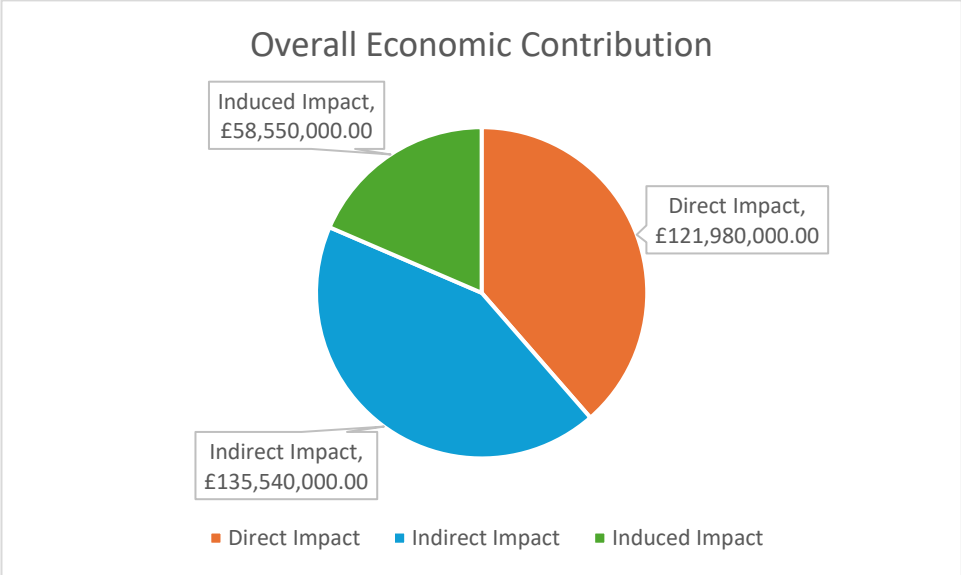
The availability and consistency of data across the cultural sector varies significantly between organisations and activities. In some cases, estimates and assumptions have been applied using recognised economic modelling approaches where complete local data is unavailable.

The assessment is intended to provide a robust estimate of economic value rather than an exact measure of all economic activity generated by culture.

4. REPORT FINDINGS

4.1 Overall Economic Contribution

The assessment estimates that the cultural sector generates a total annual economic contribution of **£316.07 million** for Gwynedd. This comprises direct, indirect, and induced impacts generated through cultural organisations, visitor expenditure, supply chains, and employee spending. The findings demonstrate that culture is a significant contributor to Gwynedd's economy, supporting businesses, employment, and wider economic activity across the county.



Component	Value (£m, p.a.)	Comment
Direct impact	£121.98m	GVA/output generated by cultural organisations in Gwynedd
Indirect impact	£135.54m	Additional Supply-chain effects
Induced impact	£58.55m	Wage-spend effects in the Gwynedd / regional economy
Total economic benefits	**£316.07m**	**Overall economic contribution**
Social value	**£178.02m**	**Monetised wellbeing and wider social outcomes (Green Book-aligned)**

Direct impacts account for approximately £122 million of economic activity generated by cultural organisations themselves. A further £135.5 million is generated through supply chain activity, while employee expenditure contributes an estimated £58.6 million through

induced effects. This demonstrates that the benefits of cultural investment extend well beyond the organisations delivering cultural activity.

4.2 Direct Economic Contribution

Direct economic impacts represent the value created through the operation of cultural organisations, attractions, and creative businesses within Gwynedd. This includes employment, organisational expenditure, admissions, trading income and associated economic activity.

Activity	Benefits	Comment
Heritage, Museums & Archives	£28.62m	Includes Castles, Slate, Railways, Portmeirion etc.
Libraries & Literature	£1.42m	
Performing Arts and Events	£6.51m	Includes; Theatres and cultural events
Visual Arts & Galleries	£1.18m	
Craft & Applied Arts	£6.62m	
Creative Industries & Wider Cultural Business	£77.63m	Includes the Creative Industries (e.g. design, media, publishing, music and the audio-visual sector) and other cultural and creative businesses operating across Gwynedd
Total Direct Benefits	**£121.98m**	

The largest direct contribution comes from the Creative Industries and wider cultural business sector (£77.63 million), reflecting the breadth of creative enterprises operating across Gwynedd. Heritage attractions, museums, and archives contribute £28.62 million, underlining the importance of Gwynedd's internationally recognised heritage assets to the local economy. Performing arts, festivals, craft industries, libraries, and visual arts all make important contributions despite their comparatively smaller scale.

4.3 Indirect and Induced Effects

The analysis demonstrates that the cultural sector has substantial multiplier effects throughout the wider economy. Organisations purchase goods and services from local suppliers, creating indirect impacts estimated at £135.54 million. Staff employed within the sector also spend their earnings within the local economy, generating a further £58.55 million in induced economic activity.

4.4 Social Value

Although this report focuses primarily on the economic contribution of the cultural sector in Gwynedd, the analysis also identifies substantial wider social value generated through cultural participation and investment. Using HM Treasury Green Book-aligned wellbeing valuation methodologies, the assessment estimates that the cultural sector generates approximately £178.02 million of social value annually.

The greatest proportion of this value is associated with economic outcomes, including employment opportunities, visitor spending, and supply chain activity. Significant additional value is generated through improvements in health and wellbeing, strengthened community cohesion, volunteering, education and skills development, environmental stewardship, and the preservation and promotion of Gwynedd's unique cultural identity and Welsh language.

These findings reinforce the view that investment in culture delivers benefits well beyond direct financial returns. Cultural organisations and activities contribute to healthier communities, stronger local identity, increased civic participation and improved quality of life, while also supporting broader public policy objectives across health, education, regeneration, and community development.

Component	Value	Comment
Economic	**71.21m**	Jobs, GVA, visitor economy, supply-chain effects
Health and wellbeing	**44.51m**	Wellbeing valuation, avoids NHS/mental health costs communities
Social and community	**26.72m**	Social capital, reduced isolation, volunteering communities
Education and skills	**17.78m**	Attainment, creative skills, Welsh language skills
Environmental/place	**8.39m**	Heritage asset condition, sustainable practices
Cultural and identity	**9.41m**	Pride in place, cultural distinctiveness, language
Total	**178.02m**	

A separate companion report considers the wider social, community and wellbeing impacts generated by culture across Gwynedd.

4.5 Economic Significance

The analysis reveals that the sector supports strong levels of local employment, sustains supply chains, attracts visitors, and contributes to the vitality of towns and communities across the county. The scale of economic activity identified within this assessment

reinforces the importance of continued investment in cultural infrastructure and programming.

4.6 Wider Economic Context

To help place these findings in context, this section compares the scale of the cultural sector's economic contribution against the size of the wider Gwynedd and Welsh economies. According to Office for National Statistics Regional Accounts data published via StatsWales, Gwynedd's total economic output, measured as Gross Value Added (GVA), was estimated at £2,842 million in 2023, the latest year for which figures are available (provisional). Wales' total GVA over the same period was estimated at £81,458 million.

On this basis, the cultural sector's total annual economic contribution of £316.07 million represents approximately 11% of Gwynedd's entire economic output – a substantial share for a sector that is sometimes perceived as a discretionary or peripheral part of the local economy. Even considering only the direct economic activity generated by cultural organisations and cultural businesses themselves (£121.98 million), culture accounts for over 4% of Gwynedd's GVA, placing it on a scale comparable with other recognised sectors of the local economy. At a national level, Gwynedd's cultural sector contribution of £316.07 million is equivalent to approximately 0.4% of the total GVA of Wales as a whole, reflecting the fact that Gwynedd accounts for a relatively small, though economically significant, share of the wider Welsh economy.

Metric	Value	Source / Basis
Gwynedd total economic output (GVA), 2023 [p]	£2,842m	ONS Regional Accounts, via StatsWales
Wales total economic output (GVA), 2023 [p]	£81,458m	ONS Regional Accounts, via StatsWales
Cultural sector total economic contribution as a share of Gwynedd GVA	**~11%**	£316.07m ÷ £2,842m
Cultural sector direct economic contribution as a share of Gwynedd GVA	**~4%**	£121.98m ÷ £2,842m
Cultural sector total economic contribution as a share of Wales GVA	**~0.4%**	£316.07m ÷ £81,458m
Total jobs supported in Gwynedd (workplace-based)	69,000	ONS Jobs Density estimates (Nomis)

These comparisons illustrate that culture is not a marginal contributor to Gwynedd's prosperity, but one of the county's significant economic sectors, generating economic activity on a scale that stands alongside other core parts of the local economy. For further context on the scale of Gwynedd's wider economy, the county supported an estimated 69,000 jobs (workplace-based) according to the latest available ONS labour

market statistics, providing an additional benchmark against which the scale of cultural sector activity identified in this assessment can be understood, even though a directly comparable employment headcount specifically for the cultural sector falls outside the scope of the data available for this report. As with the other estimates in this report, these comparative figures should be treated as broad indicators of scale rather than precise measures, given differences in the base years, methodologies and revisions between datasets.

5. METHODOLOGY

The methodology set out an analytical approach to calculate the economic value of Gwynedd's cultural sector and should be read as the technical underpinning to the main report. The report defines the cultural sector broadly, in line with Welsh Government practice, to include the arts, museums, libraries, archives, the historic environment, and the Creative Industries, and it assesses direct, indirect, and induced effects within Gwynedd alongside the contribution of culture to the visitor economy.

The assessment is designed to provide a robust estimate of economic value rather than a precise census of every transaction generated by culture. This reflects the report's stated use of mixed evidence sources, including national and local datasets, information supplied by organisations, visitor economy evidence, case studies, and recognised multiplier-based economic impact techniques.

5.1 Analytical framework

The methodology is built around a standard local economic impact model with four main components: direct effects, indirect effects, induced effects, and social value. In the main report, these were brought together to estimate a total annual economic contribution of £316.07 million, comprising £121.98 million of direct impact, £135.54 million of indirect impact and £58.55 million of induced impact, with a separate social value estimate of £178.02 million.

For economic assessment purposes, the direct effect captures the activity generated by cultural organisations and cultural businesses themselves, including turnover, operational expenditure, employment, and visitor-related income directly attributable to cultural activity. The indirect effect captures the supply-chain activity generated when those organisations purchase goods and services from other businesses, while the induced effect captures the additional household expenditure supported by wages and salaries associated with direct and indirect employment.

5.2 Sector definition and scope

The main report adopts a deliberately broad cultural definition so that the assessment reflects the structure of Gwynedd's local cultural economy rather than a narrow arts-only model. The sector therefore includes heritage attractions, museums, archives, libraries, literature activity, performing arts and events, visual arts and galleries, craft and applied arts, and the Creative Industries and wider cultural business base operating in Gwynedd.

The geographic core of the assessment is Gwynedd local authority area. However, the report recognises that some economic effects extend beyond the county boundary, especially where cultural activity attracts visitors from elsewhere in Wales, the wider UK and overseas, so the method distinguishes between impacts that occur locally within Gwynedd and broader spillover effects where evidence allows.

5.3 Evidence base and data collection

The methodology draws on both primary and secondary evidence. The report states that evidence was assembled from national datasets published by Welsh Government, the Office for National Statistics and other public bodies; monitoring and performance information from cultural organisations and projects; financial and operational information from organisations where available; visitor economy and tourism datasets; case study evidence; and multiplier techniques commonly used in economic impact assessment.

In practical terms, this means the model combines bottom-up evidence with top-down benchmarking. Bottom-up evidence is used where organisations can provide actual figures on employment, expenditure, turnover, admissions, participation, ticket sales, memberships, commissions, grant income, or visitor numbers, while top-down assumptions are used where local information is incomplete, inconsistent, or unavailable.

5.4 Estimating direct effects

Direct effects are estimated by identifying the gross economic activity generated by cultural organisations, venues, sites, events, and related cultural businesses within Gwynedd. This includes organisational turnover or output, employment supported directly by cultural activity, operating expenditure, admissions and earned income, and other forms of directly attributable commercial or grant-supported activity.

The direct model is structured by sub-sector to reflect the composition of Gwynedd's cultural economy. In the report, direct contributions are presented for heritage, museums, and archives; libraries and literature; performing arts and events; visual arts and galleries; craft and applied arts; and the Creative Industries and wider cultural business sector, which together sum to £121.98 million per annum.

5.5 Direct impact construction

The direct estimate is a synthesis of several evidence streams. Where audited or management accounts are available, turnover and expenditure data can be used directly; where attendance data exist for venues, attractions or events, these can be translated into expenditure effects using visitor-spend assumptions; and where only partial local data are available, benchmark relationships between employment, turnover and output can be applied using sector averages or comparable cultural evidence.

Care is required to avoid double counting within the direct estimate. For example, income received by one cultural organisation from another cultural organisation within Gwynedd should not be counted twice if both bodies are already included in the study population; similarly, grants and transfers should be treated carefully so that the methodology measures economic activity generated, rather than merely tracing the movement of funding between institutions.

5.6 Visitor economy effects

A central element of the methodology is the treatment of visitor expenditure associated with culture. The report explicitly identifies visitor spending on accommodation, food and drink, transport, retail, and other local services as part of the economic contribution being assessed, and it recognises culture's role in supporting the wider visitor economy of Gwynedd.

In methodological terms, visitor impacts have been estimated by applying an attribution approach. This involves identifying visitor volumes linked to cultural activity, distinguishing between residents and visitors from outside Gwynedd, and estimating the proportion of expenditure that can reasonably be attributed to the cultural offer rather than to general tourism demand.

Where survey evidence is available, the preferred method is to use locally observed expenditure and motivation data. Where this is has not available, regional, or national tourism spend benchmarks have been applied to visitor counts, adjusted for trip purpose, origin, length of stay and the share of spend that is additional to Gwynedd rather than displaced from elsewhere in the county.

5.7 Estimating indirect effects

Indirect effects are estimated using expenditure patterns and multiplier relationships to show how cultural organisations support activity in their supply chains. The report describes this as the additional supply-chain effect generated by organisational spending and estimates it at £135.54 million per annum.

In practice, this stage requires the classification of organisational expenditure into broad input categories such as professional services, maintenance, utilities, catering, marketing, transport, retail supply, production services and construction or facilities-related spending. Local retention assumptions are then applied to estimate what proportion of this spending is captured by businesses within Gwynedd, after which multipliers are used to trace the additional rounds of business-to-business activity supported in the local economy.

5.8 Local capture and leakages

A key methodological issue is the treatment of leakages. Not all spending by cultural organisations remains within Gwynedd, particularly where specialist goods or services are procured from outside the county, so the model has applied realistic assumptions about local sourcing rather than assuming full local retention. A figure of 7.5% has been used in line with Green Book guidance.

This is especially important in a county economy such as Gwynedd, where some procurement may flow to suppliers elsewhere in North Wales, the rest of Wales or beyond. The indirect model therefore needs to estimate the proportion of expenditure captured locally, the share leaking outside the area, and the share that represents imports into the county economy.

5.9 Estimating induced effects

Induced effects measure the household-spending impact arising from wages, salaries and self-employed earnings supported by the cultural sector. In the Gwynedd report, this element is estimated at £58.55 million per annum and represents the spending of employees and workers whose income is supported directly or indirectly by cultural activity.

The induced model begins with labour income associated with the direct and indirect effects. A proportion of this income is then assumed to be spent within Gwynedd on consumer goods and services, with adjustments made for taxation, savings, commuting patterns, and spending leakages outside the county. Appropriate household expenditure multipliers are then applied to estimate the additional output or income supported in local retail, hospitality, transport, and service sectors.

5.10 Gross and net additionality

To ensure that the estimates are decision-useful, the methodology moves from gross effects towards net additional impacts wherever evidence allows. This requires explicit consideration of additionality factors including deadweight, displacement, leakage, and substitution.

- Deadweight considers the extent to which the identified activity would have happened anyway without the cultural organisation, asset, or intervention.
- Displacement considers whether spending or employment supported by culture simply diverts demand from other businesses or places within Gwynedd.
- Leakage considers the share of expenditure that leaves the Gwynedd economy.
- Substitution considers whether consumers or organisations are replacing one form of local activity with another rather than creating additional value.

In a strategic sector-wide study such as this, some estimates may remain closer to gross contribution than to fully net impact because of evidence limitations.

5.11 Treatment of employment, turnover and GVA

The report refers to economic value in broad terms and presents the main headline as total annual economic contribution. The methodology uses Turnover or output measures total business revenues or production value, whereas GVA measures the value generated after subtracting intermediate inputs and is the most appropriate measure for comparing sector contribution to the local economy.

For consistency, the approach used has built the model from observed turnover or expenditure and then convert to GVA and employment using sector-relevant ratios where direct GVA data are unavailable. This allows sub-sector estimates to be combined into a coherent framework and avoids double counting intermediate transactions.

5.12 Social value interface

The social value estimate of £178.02 million has been calculated using Green Book-aligned wellbeing valuation methods. Social value is therefore treated as a separate analytical strand and is not added into direct, indirect, or induced economic benefits until the reporting stage, to prevent conceptual overlap.

Social Value has been calculated by:

- Identifying a set of outcome domains (e.g. health and wellbeing, social and community, education and skills, environmental/place, cultural identity, economic outcomes).
- For Gwynedd, the report groups Social Value into six components with associated values: Economic, Health and wellbeing, Social and community, Education and skills, Environmental/place, and Cultural and identity.

We then established specific indicators and beneficiary groups

- For each outcome, identify measurable indicators (e.g. number of participants, volunteers, events, learning opportunities, heritage assets maintained, Welsh language use).
- Define who experiences each outcome: residents, visitors, volunteers, participants, organisations, specific communities.

We applied wellbeing valuation or proxy values

- Using HM Treasury Green Book-aligned wellbeing valuation and/or recognised social value proxies to convert outcomes into monetary values.
- Typical approaches include:
    - Wellbeing valuation (linking changes in life satisfaction to equivalent income changes).
    - Social Value Bank or similar proxy libraries for outcomes like “improved confidence,” “relief from anxiety/depression,” “frequent arts participation,” “feeling belonging to a community.”
    - Project-specific valuations for outcomes such as improved educational attainment or reduced health service use.

This approach underpinned the calculation of Social Value generated by the Gwynedd Cultural sector.

6. DATA SOURCES AND PROXY VALUES

This section sets out the data sources and proxy measures used to assess the economic and social value of the cultural sector in Gwynedd. The approach has been designed to provide a robust and proportionate evidence base, drawing on official statistics, local organisational information, recognised economic modelling techniques and established social value valuation frameworks. In line with the wider report, the findings should be understood as robust estimates of value rather than precise measures of every effect generated by cultural activity. The full list of Sources used to develop this report are detailed at Appendix 1.

6.1 Data sources for the economic assessment

The economic assessment has been informed by a combination of national, regional, and local evidence sources. These include official datasets published by the Office for National Statistics, Welsh Government evidence relating to the culture and creative sectors in Wales, local and project-level information supplied by organisations operating within Gwynedd, and economic studies previously undertaken for the arts, culture, and heritage sectors.

At a national level, Office for National Statistics sources provide the core evidence base for employment, turnover, gross value added and input-output relationships across relevant cultural and creative industries. In particular, the Annual Business Survey and the Business Register and Employment Survey provide benchmark data on the scale and structure of economic activity, while Supply-Use Tables and input-output modelling provide the basis for estimating indirect and induced effects.

At a Wales level, the assessment draws upon Welsh Government reviews of the culture sector evidence base and wider economic evidence relating to culture, creativity, and heritage. These sources provide context on the Welsh cultural economy and help to ensure that assumptions used within the Gwynedd model are grounded in the most relevant national and regional evidence available.

Sector-specific studies have also informed the assessment. These include economic impact work undertaken for Arts Council Wales and wider UK studies on the contribution of the arts and cultural sector to the economy. Such studies provide methodological benchmarks, ratios and parameters that can be adapted to the Gwynedd context where complete local data is unavailable.

Alongside these published sources, the model has been informed by local evidence supplied by cultural organisations, partners, and stakeholders in Gwynedd. This includes, where available, information on organisational expenditure, staffing, earned income, grants, attendance, participation, visitor activity, and wider operational performance. Local visitor economy evidence and relevant heritage and destination studies have also

been used to inform assumptions on visitor expenditure and the relationship between culture and the wider Gwynedd economy.

6.2 Sources used for social value assessment

The social value assessment has been developed using recognised wellbeing valuation and social value frameworks that are compatible with HM Treasury Green Book principles. These sources are used to assign monetary proxy values to outcomes that are not fully captured through market transactions, such as improved wellbeing, reduced isolation, increased community participation, educational gains, strengthened identity, and pride in place.

The Green Book provides the overarching framework for the treatment of non-market outcomes in appraisal and evaluation. It supports the use of wellbeing valuation and wider cost-benefit techniques to estimate the value of social and community outcomes generated through public investment.

To support the practical monetisation of outcomes, the assessment draws on recognised proxy frameworks including the National TOMs approach and the National Social Value Standard. These frameworks provide proxy values for a wide range of outcomes relevant to the cultural sector, including employment, volunteering, community cohesion, skills development, environmental improvements, and wider social benefits.

The assessment is also informed by wellbeing valuation sources such as the Social Value Bank and related outcome libraries, together with wider research on the creation and measurement of social value in the cultural sector. These sources help to identify suitable proxies for outcomes such as improved mental wellbeing, confidence, belonging, social connection and participation in arts and cultural activity.

In addition, culture-specific guidance and case study material has been used to sense-check the application of proxy values within the Gwynedd context. This includes good practice material on the social value of culture, heritage, and community projects, as well as guidance focused specifically on social value measurement in the cultural sector.

6.3 Use of proxy measures

Proxy measures are used where outcomes generated by cultural activity are real and significant but are not directly traded in markets and therefore do not have an observable price. In these instances, a monetary proxy is used as a reasonable estimate of the value created, drawing on established national frameworks and recognised valuation practice.

Within this assessment, proxy measures have been applied across the principal social value domains identified in the report. Economic proxies relate to outcomes such as employment, income generation, visitor expenditure, and local business effects. Health and wellbeing proxies relate to improved life satisfaction, reduced anxiety, reduced

isolation, and better mental wellbeing. Social and community proxies capture outcomes such as volunteering, stronger social capital, and increased participation. Education and skills proxies reflect learning, attainment, employability, and language development. Environmental and place proxies reflect stewardship, heritage condition, and place quality, while cultural and identity proxies relate to pride in place, cultural distinctiveness, and the Welsh language.

The choice of proxy in each case has been guided by relevance, comparability, and proportionality. Where more than one proxy may be applicable, the approach has been to select values that are credible, conservative, and appropriate to the nature and scale of the outcome being assessed. This is intended to ensure that the social value estimates remain robust and defensible within a strategic county-wide assessment.

6.4 Treatment of additionality and limitations

As with the economic assessment, the monetised social value estimates should not be interpreted as exact measures. They represent robust estimates based on the best available evidence and on the use of recognised valuation frameworks. In applying proxy measures, it is important to consider the extent to which outcomes are genuinely additional, the proportion that can be attributed to cultural activity, and the extent to which benefits may overlap across outcome categories.

Accordingly, the assessment has been guided by the principles of deadweight, displacement, leakage, attribution, and proportionality. While not every outcome can be observed directly at local level, the use of established frameworks and careful sense-checking against local evidence provides a sound basis for estimating the scale of social value generated by the cultural sector in Gwynedd.

Taken together, these data sources and proxy measures provide the evidence base underpinning the assessment of Gwynedd’s cultural sector. They support a combined understanding of how culture contributes to economic activity, employment, visitor expenditure, wellbeing, identity, and community resilience across the county.

7. CONCLUSIONS

This assessment demonstrates that the cultural sector makes a substantial contribution to the economy of Gwynedd. The analysis estimates that cultural activity generates an annual economic impact of £316.07 million, comprising direct, indirect, and induced effects across the county. These findings demonstrate that culture is not only an important part of Gwynedd's identity and heritage, but also a significant economic sector that supports employment, businesses, visitor expenditure, and wider economic resilience.

The assessment highlights the diversity of Gwynedd's cultural economy. Heritage attractions, museums, archives, performing arts, creative businesses, visual arts, libraries, and craft industries each make important contributions, collectively supporting a vibrant and interconnected cultural ecosystem. The sector's economic benefits extend well beyond individual organisations, generating additional value through local supply chains, employee spending, and increased activity within the visitor economy.

Alongside these economic impacts, the wider assessment identifies considerable social value arising from cultural participation, including improvements in wellbeing, education, community cohesion and the preservation of Gwynedd's distinctive cultural identity and Welsh language. Together, these findings reinforce the importance of culture as a cross-cutting contributor to the county's economic, social, and environmental ambitions.

The evidence presented within this report provides a robust foundation for future decision-making and investment. It demonstrates that continued support for the cultural sector represents an investment in Gwynedd's wider economy, helping to sustain jobs, attract visitors, strengthen local businesses, and enhance the county's attractiveness as a place to live, work and visit.

The findings will also inform the development of the Gwynedd Cultural Action Plan, providing an evidence base from which priorities can be identified, investment targeted and progress monitored over time. As the Cultural Network continues to develop and organisations work together across the county, there is a significant opportunity to build on these strengths, maximise economic impact and ensure that culture continues to play a leading role in Gwynedd's long-term prosperity.

APPENDIX 1: SOURCES AND PROXY MEASURES USED IN THE ASSESSMENT

Overview

This appendix sets out the principal sources used in the assessment of the economic and social value of Gwynedd's cultural sector. It is intended to provide a transparent reference point for the evidence base underpinning the report, including the data sources used in the economic assessment and the frameworks used to select and apply proxy measures within the social value assessment.

Economic evidence sources

The economic assessment draws on a combination of official statistics, Wales-specific evidence, sector studies, and local organisational information. These sources have been used to estimate the direct, indirect, and induced economic effects generated by cultural activity in Gwynedd.

Official statistics and national economic datasets

- **Office for National Statistics (ONS), Annual Business Survey (ABS).** Used to provide benchmark evidence on turnover and approximate gross value added across relevant arts, culture, and creative industry activities.
- **Office for National Statistics (ONS), Business Register and Employment Survey (BRES).** Used to inform assumptions on employment levels and workforce structure across relevant sectors.
- **Office for National Statistics (ONS), Supply–Use Tables and input-output relationships.** Used to support the estimation of indirect and induced multiplier effects through supply chains and household expenditure.
- **StatsWales / Office for National Statistics (ONS), Regional Gross Value Added (Balanced) by local authority.** Used to provide wider economic context in Section 4.6, benchmarking the cultural sector's contribution against total Gwynedd and Wales GVA (2023, provisional).
- **Nomis, Official Labour Market Statistics, Labour Market Profile - Gwynedd.** Used for the total workplace-based employment figure for Gwynedd cited in Section 4.6.

Wales-specific evidence

- **Welsh Government, Review of the Culture Sector Evidence Base in Wales.** Used to provide a Wales-specific overview of available data on the arts, museums, libraries, archives, and heritage sectors, and to identify the most relevant evidence sources for the assessment.

- **Alma Economics, Review of the Culture Sector Evidence Base in Wales.** Used as supporting material on the scope, structure, and evidence gaps within the Welsh cultural evidence base.
- **Welsh Government culture and creative sector evidence.** Used to provide contextual information on the wider Welsh cultural and creative economy and to ensure the Gwynedd assessment is aligned with national evidence and policy understanding.

Sector studies and benchmark reports

- **Arts Council of Wales, Economic Impact Report.** Used as a Wales-based benchmark on the economic contribution of arts and cultural activity and as a methodological reference point for the structure of the assessment.
- **Arts Council England / Centre for Economics and Business Research (Cebr), Contribution of the arts and culture industry to the UK economy.** Used as a benchmark source on the treatment of direct, indirect, and induced economic effects and on the wider contribution of culture to economic output, employment and value added.
- **Additional sector evidence on culture and place.** Wider cultural economy and heritage studies have been used as sense-checking sources where relevant to visitor economy assumptions, place impacts and the broader relationship between culture and local economic performance.

Local and organisational data

- **Financial and operational data supplied by cultural organisations in Gwynedd.** Used, where available, to inform estimates of employment, turnover, expenditure, attendance, participation, admissions, grants, and other aspects of operational activity.
- **Cyngor Gwynedd and partner monitoring information.** Used to support the understanding of local cultural activity, project performance, and the reach of cultural provision.
- **Visitor economy and heritage evidence for Gwynedd.** Used to inform assumptions relating to tourism, visitor behaviour, cultural attractions, and associated expenditure within the local economy.

Social value and proxy valuation sources

The social value assessment applies recognised valuation frameworks and proxy measures to estimate the monetary value of outcomes that are not directly priced within markets. These include outcomes relating to wellbeing, participation, identity, volunteering, education, community resilience, and place.

Core appraisal and valuation frameworks

- **HM Treasury, The Green Book, and associated appraisal guidance.** Used as the overarching framework for the treatment of non-market outcomes, proportionality, additionality, and valuation within public sector appraisal.
- **Wellbeing valuation approaches.** Used to support the monetisation of outcomes such as improved wellbeing, reduced isolation, increased confidence, belonging, and participation, where no direct market price exists.

Social value proxy frameworks

- **National TOMs (Themes, Outcomes and Measures).** Used as a recognised framework for measuring and monetising social value outcomes, including employment, volunteering, skills, community cohesion, and environmental impacts.
- **National Social Value Standard (NSVS).** Used as a contemporary measurement and proxy framework to support the selection of values for a range of social outcomes relevant to the cultural sector.
- **Social Value Bank and related wellbeing valuation libraries.** Used to identify suitable proxy values for outcomes such as mental wellbeing, social connection, confidence, reduced isolation, and broader quality of life improvements.

Culture-specific social value guidance

- **Social value of Culture, Heritage, Sports, and Community Projects.** Used as good practice guidance on the application of social value measurement in cultural and heritage settings.
- **Future Trends: Social value creation and measurement in the cultural sector.** Used as supporting guidance on the treatment of cultural participation, identity, wellbeing, and other sector-specific outcomes.
- **Research on social value creation and measurement in the cultural sector.** Used to inform the conceptual approach to cultural social value, including the valuation of belonging, community benefit, identity, and wider non-market cultural outcomes.

Proxy measure categories used in the assessment

Proxy measures have been applied across the principal domains of social value identified within the Gwynedd assessment. These categories are summarised below.

Domain	Indicative proxy areas	Principal source types
Economic	Employment, local business activity, visitor expenditure, supply-chain effects	National TOMs, NSVS, economic benchmark studies local.gov+2
Health and wellbeing	Improved wellbeing, reduced anxiety, reduced isolation, confidence, life satisfaction	Green Book, wellbeing valuation, Social Value Bank rics+2
Social and community	Volunteering, participation, social capital, cohesion, belonging	National TOMs, NSVS, culture-specific guidance local.gov+2
Education and skills	Learning, attainment, employability, language development	Green Book, NSVS, social value proxy frameworks rics+1
Environmental and place	Heritage stewardship, environmental quality, place condition, sense of place	Culture and heritage guidance, proxy valuation frameworks culturehive+1
Cultural and identity	Pride in place, cultural distinctiveness, Welsh language, identity and belonging	Culture-sector social value guidance and research ukri+2