

Dear

Yr Hen Lyfrgell Business Plan Review

I write to request Welsh Government's financial support in developing and implementing a new business plan to ensure the future sustainability of Yr Hen Lyfrgell.

Inspired by and supported by the First Minister's Welsh Language Capital Fund, you will be aware that the City of Cardiff Council in partnership with Cardiff University have been working closely with Menter Iaith Caerdydd and their partners to develop and sustain a new welsh language cultural centre – Yr Hen Lyfrgell.

In support of the initial project concept, the City of Cardiff Council also allocated the Old Library building in order to help support the establishment of the Centre in the Capital City. However, this was always on the basis that the project would be cost neutral.

Since opening in February 2016, it has become clear that, despite their best efforts, Yr Hen Lyfrgell have struggled with the financial costs associated with the operation of the building and that the original business model is not delivering its anticipated returns.

Over recent months, the original café bar operator (Clwb Ifor Bach) has walked away from the project, as they were not able to make it financially viable despite a quality offer. Mudiad Meithrin, the Creche also left in January as they were unable to sustain their offer and more recently, some concerns have been raised regarding the ongoing financial viability of Bodlon – the retail offer that currently occupies the ground floor.

The City of Cardiff Council is working closely with Menter Iaith Caerdydd to help address some of the challenges. For example, our strategic estates team are working with them to see if we can attract an alternative retail-catering provider, we have taken back responsibility for the operation of the building and our marketing team are looking to relocate a TIC presence in the building to help drive footfall.

It is clear that a strategic review needs to be undertaken of the whole operation in order to address current concerns, but more critically to test the future sustainability of the project and provide support in respect of implementing and embedding identified improvements. I would be most grateful if you could confirm that the Welsh Government are able to provide funding, not to exceed £25,000, to allow the authority to procure some independent specialist support to review and assist the Yr Hen Lyfrgell board in developing and implementing a sustainable business plan.

Yours sincerely

**Economic Development
Cardiff Council**