

<b>Subject:</b>	<b>Support for the City's Creative and Cultural Sector</b>		
<b>Date of Meeting:</b>	<b>24<sup>th</sup> September 2020</b>		
<b>Report of:</b>	<b>Executive Director of Economy, Culture and Environment</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Donna Chisholm</b>	<b>Tel: 01273 292571</b>
	<b>Email:</b>	<b>Donna.Chisholm@Brighton-Hove.gov.uk</b>	
<b>Ward(s) affected:</b>	<b>All</b>		

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 In response to a Notice of Motion to the TECC Committee on 18<sup>th</sup> June 2020, this report sets out the actions that have been taken by the city council and other organisations to support the creative and cultural sector as a result of Covid-19. This sector has been significantly affected by the pandemic, with many individuals and organisations in the city still facing financial hardship.

**2. RECOMMENDATIONS:**

- 2.1 That committee notes the difficult circumstances faced by many artists, performers, practitioners, arts organisations and supporting freelancers as a result of the Covid-19 pandemic.
- 2.2 That committee notes the steps taken by the city council to prioritise the sector, as summarised in paragraphs 3.7 and 3.15 below.
- 2.3 That committee requests a report in January 2021 on the completion of the Arts Recovery Plan and on preparations for its implementation, as described in paragraph 3.17.

**3. CONTEXT/ BACKGROUND INFORMATION**

- 3.1 The creative and cultural sector has been badly affected by the Covid-19 crisis because it relies on income generated between April and October each year. Events, festivals and exhibitions have been cancelled and it is not yet clear when gatherings can safely resume. The sudden loss of income caused by lockdown, which has extended now for six months, has left most of the sector in financial difficulty.
- 3.2 Events, and the cultural industries which support them, draw millions of people into the city each year. The city's creative reputation encourages employers and entrepreneurs to set up their businesses locally. Business leaders are attracted by the high calibre of talent within the city, which in turn generates employment for freelancers and sole traders.

- 3.3 In 2019 a study from the University of Sussex revealed that the creative and cultural industries generated more than £1.5 billion in annual turnover for the Greater Brighton region. This figure increased by 22% in the five years to 2019. The number of people working for creative businesses has increased by almost 20% in five years, to more than 16,000 employees at over 6,100 companies.
- 3.4 Normally, Brighton has around 60 festivals every year. The Brighton Festival is the second largest in the UK and attracted 455,000 people as audience and participants in 2018. In 2019, Brighton Fringe, combined with The Warren and Speigeltent, contributed in the region of £20 million to the local economy. In 2019 Brighton Pride attracted 300,000 parade participants, totalling 450,000 attendees across Pride Weekend. Artists Open Houses has two events each year. Last year 15,000 artists and makers participated and occupied 180 venues within 14 different trails.
- 3.5 At this time all indoor events, festivals and exhibitions in the city between March and December 2020 have been cancelled. The impact of this has been felt across the city, with revenues lost in retail and hospitality, as much as in the creative and cultural sector.

### **Business Grants from Government**

- 3.6 On 24<sup>th</sup> March the Government announced there would be support for small businesses and for those in the hospitality and leisure sectors, in the form of two grant funding schemes, the Small Business Grant Fund (SBGF) and the Retail, Hospitality and Leisure Grant Fund (RHLG). Small live music venues, artists' workspaces and galleries – all with with a rateable value of less than £51,000 - have benefited from these grants. Sums of either £10,000 or £25,000 have been distributed across the city.
- 3.7 On 28<sup>th</sup> May the Policy and Resources (Recovery) sub-committee agreed to the distribution of £3.68 million allocated to the city council by government as discretionary grants to businesses. Applications were invited for up to £25,000, with events and culture identified as two of the prioritised sub-sectors for the fund. In June and July a total of £935,000 was awarded to over 100 organisations in the events or cultural sub-sectors, with a further £747,500 awarded to 50 leisure businesses, an associated sector.

### **Arts Council England**

- 3.8 Brighton and Hove has managed to secure millions of pounds channelled through the Arts Council England (ACE) as part of the £1.57bn Cultural Recovery Fund. These funds have been a lifeline for the sector, but government cannot replace the scale of the income lost.
- 3.9 In July of this year, 61 Brighton and Hove based organisations received emergency funds from ACE. Grants of up to £35,000 were awarded to a wide range of organisations, from Brighton Fringe to The Old Market.
- 3.10 Emergency funds were also awarded to national performance organisations

(NPOs) such as the Brighton Dome and Festival and The Lighthouse. The Royal Pavilion and Museums was not successful with an application for emergency funds because local authorities were excluded.

- 3.11 Last month the Emergency Grassroots Music Venues Fund from ACE awarded organisations such as Latest Bars Ltd £22,450, The Green Door Store £20,000 and Concorde 2 secured £14,000.

### **Use of General Covid-19 Government Schemes**

- 3.12 In April the Greater Brighton Economic Board commissioned consultants Hatch to produce a Covid-19 Impact Assessment report to assist with understanding the economic impact of the pandemic on the Greater Brighton Region. As part of this work, they assessed usage of government initiatives according to sector.

- 3.13 The report indicates that at a national level, the arts, entertainment and recreation sectors have been the largest users of the Coronavirus Job Retention scheme. This scheme enabled organisations to claim up to 80% of staff costs for people on “furlough” from 20<sup>th</sup> March to the end of July 2020. From 1<sup>st</sup> August the contribution from government is gradually decreasing. The use of furloughing can be seen in the city where building-based organisations such as the Theatre Royal (part of the Ambassadors Theatre Group), Brighton Dome and Brighton Festival, the Royal Pavilion and Museums and the Brighton Centre have all placed staff on the scheme because of closure over the past six months.

- 3.14 The assessment report from Hatch also indicates that the arts, entertainment and recreation sectors nationally have also been amongst the largest users of the Business Rates Holiday, the ability to defer VAT payments and the small loans or grants schemes for self-employed people. These schemes have helped individuals and organisations to manage their way through this crisis, however, these are short term measures.

### **Outdoor Events**

- 3.15 The city council can support the resilience of the sector by providing landlord’s consent whenever possible to enable use of the city’s public spaces for Covid safe events. Over the past three months the city council has granted in-year consent for three large-scale, socially distanced events. This included The Warren outdoor season from 5<sup>th</sup> August to 27<sup>th</sup> September. Working closely with public health colleagues and ensuring promoters adhere to government guidelines enables officers to recommend these events proceed. In this uncertain environment, the financial risks for organisations promoting events are significant. November’s TECC Committee will receive a report on the proposed outdoor events programme for 2021/22.

### **Arts and Creative Industries Commission and the Arts Recovery Plan**

- 3.16 The Arts and Creative Industries Commission (the commission) is part of our Brighton and Hove Connected strategic partnership. The commission delivers the city’s strategic cultural priorities as laid out in the Cultural Framework and is supported by the city council. Greater inclusion in the arts for all residents in the city is a key ambition for the ACIC. The council has provided funding, matched

by the ACE, an arts recovery plan covering the next three years. The commission is a major partner in the creation of the plan.

- 3.17 The arts recovery plan that will pave the way for investment in new jobs, new commissions and enabling the city's cultural community to adapt to the new context. The plan poses two important questions for consideration by a wide group of creative practitioners in the city:
- How can we re-imagine our public and cultural spaces as we re-emerge with a cultural offering for the city over the next year?
  - What are the opportunities for collaboration and disruption to create inclusive growth for cultural freelancers, organisations and audiences over the next year?
- 3.18 The plan will be completed in November 2020 and the intention is to use this to make large-scale applications for funding to deliver a series of programmes in the city and widely across Greater Brighton over the next three years.

### **Culture in Our City Website**

- 3.19 In support of the arts and creative industries at this difficult time, the website [cultureinourcity.com](http://cultureinourcity.com) has been redesigned and refreshed with support from the Council, as a major source of information on relevant funds from Government, Arts Council England and other organisations. The website is the central information point for the work of the Commission.

## **4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 As government has eased lockdown restrictions, some organisations have been able to function, such as studios spaces for artists, whilst others, such as indoor venues, still cannot. Social distancing requirements make their business model unsustainable.
- 4.2 The use of outdoor spaces, where transmission rates are much lower, offers a weather dependent alternative. The council's outdoor events team continues to support promoters to consider using a wide variety of spaces in the city.
- 4.3 Without intervention, there is a risk of losing parts of the creative and cultural sector. The recent report by Hatch indicates this could be as much as 50%, which would have a significant detrimental affect on the reputation and cultural wealth of the city.

## **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 The commission with its 20 core stakeholder representatives, has met regularly over the pandemic. Under its auspices and using the [cultureinourcity.com](http://cultureinourcity.com) website, the city council has funded a series of advice sessions and webinars for people working in the Creative and Culture sector.
- 5.2 The partners leading the Arts Recovery Plan are currently consulting widely. A

series of eight online workshops are being convened in September to gauge opinion on the key topics such as:

- the needs of the freelance community to adapt and survive in the city,
- collaborative working that could help address challenges or improve our cultural offer,
- adding value to the city centre experience for residents and visitors,
- infrastructure to enable an increased outdoor offer in both the city and beyond.

## **6. CONCLUSION**

- 6.1 The city's creative and cultural sector has been badly affected by the Covid-19 pandemic, and there are indications it will take at least three years to recover. Parts of the sector maybe lost permanently because of a heavy reliance on generating income between April and October.
- 6.2 The Arts Recovery Plan, which is part funded by the city council, will provide a route to addressing longer-term issues faced by artists and organisations.
- 6.3 The longer that venues remain closed, events cannot take place, and new creative work cannot be consumed live by the public, the greater the risk that the sector will be damaged permanently. The city council's supporting role in the recovery of the sector will be critically important over the next three years. This includes how quickly and flexibly we grant landlord's consent and licences for events, how we collaborate with other bodies such as ACE to draw funds into the city, and how we support the commission to lead future strategic thinking.

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 There are no financial implications arising directly from this report which is for noting.

*Finance Officer Consulted: Jill Fisher*

*Date: 15/09/20*

### Legal Implications:

- 7.2 There are no legal implications arising directly from this report which is for noting.

*Lawyer Consulted:*

*Alice Rowland*

*Date: 15/9/20*

### Equalities Implications:

- 7.3 The Brighton and Hove Cultural Framework identifies the importance of culture in promoting wellbeing and addressing health inequalities through enabling residents – especially those further away from opportunities - to participate in cultural activities. The annual cultural conference, planned for March 2020, had inclusion as its key theme.

- 7.4 To inform the cultural conference, research undertaken by Brighton People's Theatre in 2019 for the commission, funded by the council, provided a series of principles for community-led arts projects in the city. These principles were articulated following community work in East Brighton and Hangleton and Knoll, combined with research into best practice. This work will be used to inform the arts recovery plan.
- 7.5 The crisis in the sector caused by the pandemic has set back plans to increase inclusion in the creative and cultural sector by at least a year and possibly more.

Sustainability Implications:

- 7.6 Environmental sustainability will be a significant feature of recovery, as the sector seeks to use the crisis to innovate and reduce its carbon footprint. The Council's Outdoor Events Strategy lays out obligations which are being widely adopted in the sector, for example in reuse and recycling, and in reducing energy use.

Brexit Implications:

- 7.6 There are no Brexit implications.

Any Other Significant Implications:

None.

Crime & Disorder Implications:

- 7.5 All major event plans are submitted to the city's Safety Advisory Group for scrutiny and action. Indoor venues are subject to licencing conditions.

Risk and Opportunity Management Implications:

- 7.6 None.

Public Health Implications:

- 7.7 There are ongoing and shifting public health implications for the creative and cultural sector as a result the pandemic. These have been covered elsewhere in this report. Officers from the arts and events teams continue to liaise with regulatory services and public health, advising Councillors on developments. Government and industry guidance, as it alters, is continually being followed and fully implemented.

Corporate / Citywide Implications:

- 7.8 There are significant employment implications covered by this report. There were approximately 16,000 people working in the creative and cultural sector across Greater Brighton in 2019, with this being concentrated in the city. The full impact of the pandemic on the sector is not yet clear, but the actions taken by the council now, will help to mitigate the loss of skills, talent and employment.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Daring to be different: Brighton and Hove Cultural Framework 2018/19

### **Background Documents**

None

