

Written evidence submitted by The Civic, Stourport

Impact of Covid-19 on DCMS Sectors

Written submission by Trustee and Business Manager on behalf of The Civic, Stourport.

The Civic, Stourport is a registered Charity in the UK, which operates a multi-function community venue in Worcestershire. The venue holds 374 seats in a traditional theatre space but can also be adapted to a fully empty room for ballroom dancing, craft fayres and exhibitions. The venue has two paid staff and is predominantly operated by volunteers.

Executive Summary:

- Pandemic is having a devastating effect on the sector and industry.
- We had taken steps to limit the impact but were surprised by the speed of restrictions were implemented.
- Advise to not gather, before lockdown enforced, caused immediate impact.
- Instant financial impact to the operation of the venue.
- Insurance industry not supporting Cultural sector.
- Support package announcements made before systems in place have caused heightened anxiety.
- Furlough Scheme has helped.
- Resistant to loan scheme because of bad news stories.
- Local Authorities not dispersing grant monies quickly enough and not communicating with organisations.
- Loss of some services for the community due to venue not being open.
- Government support packages welcomed, but not speedy enough.
- Not enough information coming from DCMS – more information coming from unrelated sector advisors than the Government.
- Members of the sector/industry are offering advice more regularly, efficiently, and seemingly more effectively, than the Government or Arm's Length organisations.
- More communication between parts of the sector than I've seen in 10 years.
- Delays in Self-employed scheme means we could lose valued performers/practitioners
- Arts Council funding scheme – not inclusive and potentially not targeted at the right places.
- Sector will have to focus on resilience and building up reserves over the next couple of years which may slow down innovation and engagement.
- Changes to business models inevitable for some organisations.
- We will have to delay the implementation of our next stage of development, potentially for two or three years.

Detailed Response in response to the questions posed on the 'Call for evidence' webpage:

1. What has been the immediate impact of Covid-19 on the sector?

1. From an organisational viewpoint, the pandemic, and the resulting actions from Government whilst understandable, have been simply devastating.
2. As an operator of a venue we had no choice to close. Whilst this was a responsible and understandable action, I feel that the announcement could have come with a prepared strategy to allay some of the fears and anxiety that came with it.
3. As Trustees of a community venue that acts as Theatre/events venue and meeting place we started to look at a potential impact to us if the virus spread to, the UK back in January.
4. We took some precautionary measures at the start of March. We started arranging potential alternative dates for all our contracted events and hires. By the time of the enforced closure and we were able to move over 90% of our activities to dates later in the year, or even into 2021.
5. We were initially laughed at by some touring companies who thought we were overreacting, and some refused to even discuss a change of dates unless they were compensated in some form. We still have one company who are reluctant to move from a 1st of June date, and have informed us that they will want compensation if we cancel the event – and that could be up to half the contract value.
6. When we reached out to our contracted acts, we were surprised that we appeared to be the first venue reaching out at that time, but that allowed us to secure dates quickly. It meant the difference between cancelling and postponing events offering some reassurance to our customers and performers.
7. As soon as the Prime Minister advised people not to go to pubs, restaurants, theatres etc at the start of the week, we started to get messages asking us about events, and refunds. The Prime Minister was still talking, laying out the advice, and we were being expected to respond to customers. This was before the lockdown was initiated, this was only at the advice stage.
8. We now have had no income for five weeks, and with no respite in sight for the considerable future, this has put strain on the organisation.
9. We had reserves to cover us for 10 weeks.
10. As a result of deferring payments to as many organisations and contracts as we can and furloughing the two paid members of staff we have managed to stretch this out to 13 weeks, however we would have no funds available to us even if we could open up by then. Having both members of staff on furlough means that our reactivity as an organisation has decreased, and could delay the process of reopening, as under the rules of furlough they cannot do any activity that could generate revenue or income. This extends to not taking enquiries for hire bookings or contracting companies, meaning a potential loss of income and engagement for the community.

11. When the lockdown became enforced, we instantly lost that weekends activity - a three-day prog-rock festival- with the immediate impact of a loss of £10,000 income. The organiser lost almost as much, plus the artists performing. The local businesses lost accommodation lets, restaurants bookings, income streams resulting from increased foot traffic in the town, and the local authority lost parking charges/fees. It deflated not just us, but the whole of the town in one go.
12. Tickets sales dropped to zero from the 17th March, and we have not sold a single ticket since. Website numbers have plummeted to less than 1% of the monthly average, and visitors appear to be simply coming to see whether their events have been rescheduled or not.
13. We are awaiting funding from the Business Rates scheme which will allow us to remain open past this deadline, and this will mean the difference between us closing for good on the 15th June, or being able to remain in purgatory for another 13 weeks with the hope of being able to reopen during that time.
14. Away from the venue the professional companies we work with on a regular basis are struggling to cope with a zeroing of their income and activity. Tours have been cancelled or put on hold, and some professionals are now looking for alternative sources of income taking whatever jobs they can to pay their bills etc. Some do not expect to be able to return to the industry for some years because of the impact this lockdown has had on their income. That is a loss to industry.
15. Secondly to the professional part of our programming we have a significant number of uses of the venue, or its activity, taken up with local groups and organisations. These range from local performance groups, dance and performing arts schools, primary schools, public meetings, to local authority public meetings, blood donation sessions, friendship groups, and advice sessions from other organisations such as Barnardo's and the NHS. All these activities have stopped, and some of these groups will now be under pressure themselves for a variety of reasons. This is a loss to our community.
16. The insurance industry have let down the cultural sector. By refusing to pay out under "denial of access" elements of policies they have contributed to the struggles of the sector and will be to blame, in part, for any venues failing.
17. From a personal point of view, the anxiety has prompted a return of some unwelcome mental health issues, and I know from speaking with other professionals and practitioners that I am not alone. In fact, I would go so far to state that there are probably more people in the sector/part of the industry that we occupy feeling this way, than are not.
18. However, I have been impressed by the amount of creative content that has been made available at all levels from National Theatre and Opera companies to local practitioners, and comedians and musicians completing gigs via social media and streaming capability.

2. How effectively has the support provided by DCMS, other Government departments and arm's length bodies addressed the sector's needs?

19. I can't say that I have seen anything of value from the DCMS. I have been expecting something but have been surprised to have not seen more. The department seems to have gone missing during the crisis and has been less visible than others.
20. A quick Google news search on the 21st April shows that the last time anyone reported on the DCMS was on the 8th April for the announcement of this inquiry (and that result led to a 404 page). Previous dated entries are for announcements previously made on the DCMS website.
21. I have seen more valuable information and guidance from sector and industry bodies. From a charity's viewpoint organisations such as NCVO and the Small Charities Coalition have provided more relevant information than most Government departments during the crisis.
22. From an industry/sector point of view non-government organisations have been more effective, and the industry is reaching out to each other to offer support and advice. There is probably more open communication between venues than I have seen in 10 years of running of a venue.
23. The Treasury has helped: The furlough scheme has helped extend our venues life for a couple more weeks by allowing us to reduce the costs of keeping our staff employed so that we can be ready to jump back into action.
24. The Business Rate Grants scheme will be beneficial when/if we get paid it in a timely manner. We have had to fight to communicate with our local District Council. They stopped all telephone communication with the department responsible, and the department were not responding to emails. This caused anxiety and concern, especially as there were stories indicating that some local authorities were not paying money out to organisations that had received discounts on their rates in previous periods.
25. Despite Government publications suggesting so, it took us three weeks to confirm that we were eligible for the grant, and we now have an indication of when the payment should be made. This confirmation was received on the 18th April, almost a month after the scheme was announced.
26. Whilst I understand that the mechanisms were not in place for this system before the crisis began, I think this is simply too long, and has certainly added to the apprehension and anxiety we have felt. Additionally, reports in the last couple of days suggest that less than 50% of the grants have been made across the nation, adding to the sense that it is taking too long.
27. The feedback about the bank loan scheme has been shocking and hopefully we will not have to get to that point, though it is under consideration. Having seen some of the comments and reports about the

scheme we are not confident that we would be secure funds from the programme.

28. The delay in arranging payments to self-employed workers is having a significant effect on the industry, as most professional practitioners fit into this employment status. This adds to the general anxiety within the sector and, as above, is making professionals consider their position in the industry. We might yet lose events and performances as a result of this delay.
29. Whilst the support that has been made available will, hopefully, save our venue from failing, we do have concerns for the industry professionals and community-based organisations that we work with.
30. The Arts Council grants were heralded a potential saving element from Government and Local authorities; however, the capacity of the funding was limited, and to some people, felt that it was the Arts Council protecting its "club" of previously funded organisations. The "proven record of publicly funded culture" element of the eligibility criteria immediately barred organisations that had not been part of the "club", meaning good venues/organisations/practitioners were excluded by dint of the fact they had never been successful in securing funding of that type.
31. I await the report on where this funding was allocated to, but I have a feeling that much of this funding will go to either London based organisations (or those who have a registered office elsewhere but operate in London), and former NPO's.

3. What will the likely long-term impacts of Covid-19 be on the sector, and what support is needed to deal with those?

32. In simple language: The longer the lockdown lasts the deeper the impact will be.
33. A long lockdown will require more assistance from Government or arms-length bodies. It will also change the way that content is delivered and consumed.
34. The sector will lose more venues before the pandemic loosens its grip on the country. One of the larger, more successful venues locally (The Artrix, Bromsgrove) has already gone as the packages announced were not available to them. This will have a massive impact on the industry locally, especially in the Bromsgrove District area, but also into the outskirts of the greater Birmingham area.
35. Venues will have no choice but to change their business models and this could change the reliance on funding for many.
36. We have survived for ten years on the premise of not having any core costs covered by funding. Before this crisis this seemed to be at odds with many venues in the sector, especially those of a charitable background. I think that going forward many organisations will change

this focus, and the growth and sustainability of reserves will be key for the coming years.

37. Whilst this will be a positive for the sustainability of the sector, it will also mean that organisations could become less risk averse, and more introverted as they try and replace (and increase) the levels of reserves held over the coming years.
38. This could stifle creativity and engagement.
39. Support might be needed to assist organisations change their business models in such a wholesale manner, as it will be moving some people to a commercial footing that they are not suited to, or able to manage. Some organisations exist solely because of the funding they get, and to make them more resilient they need to change that approach.
40. As an organisation we will have to delay the implementation of our next phase of development until we are back to a level of normality. This could be two to three years from now depending on how long it takes to recover from a prolonged shutdown. This will mean that we will delay delivery of several initiatives designed to increase engagement and a move towards a cultural democracy approach.
41. In terms of our organisational development we will potentially have to go backwards by several years, to focus on keeping ourselves active rather than looking outwards as we had planned.
42. However, I think that the large-scale deployment of streaming activity across the sector, whilst in lockdown, has introduced opportunities that we will need to examine in due time. As a "receiving house" our opportunities may be limited but we will have to examine them as the lockdown could cause a shift in content delivery.
43. With films being released direct to satellite providers and streaming services during the lockdown, there is nothing to say that content providers such as The National Theatre will not look to stream their content direct into homes via tv or internet provision. If this happens after the lockdown ends in a consistent, large scale manner it could change the need for community venues such as ours to provide certain types of event. For venues which have a large programme of live streamed content (NT Live, Opera etc) this could remove the content from their venues creating another vacuum of content/engagement.

4. What lessons can be learnt from how DCMS, arm's length bodies and the sector have dealt with Covid-19?

44. Speak up!
45. Let people in the sector hear what you have to say – otherwise we will think you don't have anything to say.

46. Other areas of the Government are making announcements that are having an impact on their sector or the country. Almost every department has had time at the podium during the Coronavirus briefings. Perhaps I missed the one that the DCMS had.
47. In comes to something for the Ministers of the DCMS, that the opposition party culture team was in the news more recently and frequently than they have been.
48. For arm's length organisations – don't forget the little guy. Just because that small multi-platform/multi-functional venue in the middle of nowhere, doesn't create earth shattering, industry defining art, doesn't mean that it isn't valued by its community. That venue is more important to that community than the National Theatre, or an exhibition on under water basket weaving by some award-winning artist that they have never heard of.
49. You should be looking at venues, like the Artix in Bromsgrove, which not only have a reputation for quality and engagement, but also for being at the heart of its community and doing what ever you can to help them stay open.

5. How might the sector evolve after Covid-19 and how can DCMS support such innovation to deal with future challenges?

50. Streaming of content has taken a massive step forward during the pandemic, and helping venues and practitioners take advantage of this would be ideal.
51. The idea of enabling streaming content to place such as nursing/residential homes direct from venues, perhaps by a pay per view style mechanism could be beneficial. This might require looking at licensing/copyright issues, but could enable practitioners to increase engagement, reaching new audience with new work. It may also provide venues the opportunity to react, if someone like National Theatre begin routinely streaming direct to homes.
52. The way that practitioners deliver content may also change. Do some artists/performers need to be present for their work to be viewed? Does their work (paintings/sculptures etc)? If not, how does the sector respond to this, how do they change this?
53. Could digital billboards/poster holders in venues and museums be repurposed to display artwork from a static site? Is technology capable of being able to accurately represent an artwork that is based in a museum 100's of miles away, possibly using holographic/VR equipment so that people can experience it elsewhere (think of the Google Arts and Culture app, but bigger, and not confined to a phone screen).