

## **Written evidence submitted by the Cornwall and Isles of Scilly Local Enterprise Partnership**

### **DCMS Select Committee**

#### **Impact of Covid-19**

19 June 2020

Cornwall and Isles of Scilly Local Enterprise Partnership (LEP) is one of 38 LEPs across England. Private sector-led, it is a partnership between the private and public sectors and is driving the economic strategy for the area, determining local priorities and undertaking activities to drive growth and the creation of local jobs. The impact of COVID-19 on DCMS sectors in Cornwall and Isles of Scilly is an important aspect of our economic growth remit.

Cornwall and the Isles of Scilly is the country's leading rural creative economy. Our cultural distinctiveness and creative industries are adding value to businesses from all sectors. Our dispersed communities of freelancers, micro-businesses, cultural organisations and creative workspaces provide an alternative sustainable model to urban and metropolitan areas such as London, Manchester and Bristol. Our acknowledgement of our creative infrastructure, its potential and significant contribution to the UK economy, is why the creative economy is an integral feature of our draft Local Industrial Strategy.

Cornwall and the Isles of Scilly (CloS) is cited in the latest Creative Industries Policy and Evidence Centre (PEC) report as one of the key rural areas for growth for the Creative Industries, with research highlighting the importance of investing in the Creative Industries as a priority as the UK emerges from the crisis and the further growth potential of non-urban areas like CloS.

Although Cornwall Council were quick to act in bringing forward existing investment of over £600,000 worth of funding for its current portfolio of culture revenue clients, as a short term measure to help them ride this current crisis, and our local authority colleagues have been swift to allocate emergency business support grants, we know that for many creative businesses, particularly given the integral connection of this sector with the visitor economy, there is still a very turbulent time ahead. There is a high risk for many business and organisations in being forced to make redundancies or more likely, due to the size of businesses that make up most of our sector, ceasing to exist at all.

Our visitor economy brings in over £2 billion to the UK economy per year. Internationally renowned cultural attractions such as the Eden Project, Geedor Tin Mine (part of the UNESCO World Heritage Site), the Leach Pottery, Kneehigh Theatre, Tintagel Castle and even the Tate St Ives are significantly affected. Alongside our network of over 75 museums, galleries, our highly regarded Hall for Cornwall and rural community venues, they are all at the tipping point of being viable cultural assets.

Added to this, CloS's creative economy is predominately made-up of freelancers – self-employed and home workers - and micro businesses with many cultural organisations and creative businesses registered as third sector organisations. The current figure of our self-employed working population is 61,000 which equates to 23% of CloS's workforce, well above the national average of 16%. Due to this make up much of CloS's creative ecology hasn't been able to access the support that has been made available by central government.

Over the last few weeks creative and cultural businesses across CloS have responded to a survey collating the impact of the coronavirus. The survey is still live, but an initial analysis found that:

- Within the month of lockdown the total loss was in excess of £2m.
- 70% said that they would not survive for more than six months without additional support.
- Venues were estimating a loss of visitors/audiences in the hundreds of thousands.

In conclusion, while CloS up until this point has managed the number of Covid-19 cases and untimely deaths relative to its population, the economic impact is hugely disproportionate and of grave concern. The key issues and need for additional support are:

- The interrelationship and dependence between tourism and the creative industries has resulted in a devastating economic impact due to COVID-19. September becomes a crunch point for both sectors and we would welcome additional support to enable these sectors to get through this predicted cliff edge.
- Our high proportion of freelancers - self-employed and home-based workers – micro businesses and third sector registered organisations, have received little or no support. We would ask for urgent help to ensure that future support is made available for this major part of Cornwall's rural creative economy.

- Through recent research by [Tortoise Media](#) it was cited that “Cornwall may be the biggest economic British Loser of the lockdown”, naming both Newquay and Penzance as two of the worst effected towns. We would ask that DCMS works with its colleagues within MHCLG and BEIS to ensure that this is considered in any recovery and renewal funding for towns, especially those who are part of a rural creative economy.
- Equivalent intervention and support for the Creative and Cultural sectors outside of urban centres.