

Written evidence submitted by the Concert Promoters' Association

Written submission from the Concert Promoters' Association (CPA) to the DCMS Select Committee on the impact of Covid-19 on any sectors under the DCMS remit.

Executive summary

From the 16th March when Government advised citizens to avoid non-essential contact with others, followed by the closure of the entertainment and events sector, venues across the United Kingdom have been closed and therefore unable to generate revenue. Additionally, a whole summer of festivals was cancelled. This has hit not only the venues and festivals hard, but the entire live music ecosystem badly, with artists and promoters making no income from live over the last three months with none expected any time soon.

With the easing of restrictions expected on July 4th most industries will be able to get back to business. Current social distancing requirements make most shows and festivals economically unviable. You will see in attachment two that even with a 1m social distancing rule in place most venues would be running at least a 65% capacity loss.

Whilst a lot of Government focus has so far been on the grassroots music venues - which are the training grounds for the stars of tomorrow - the whole ecosystem needs support. The stars of the future also need the clubs, arenas, stadiums and festivals to progress to, and the UK economy relies on the income these venues and events generate (direct £1.1 billion, indirect £2 billion). We must focus on how to make all live performances economically viable, as well as safe. This will in turn support the whole career of an artist, as well as the 200,000 people currently working in the music sector.

Key points and asks

- We ask Government to remove social distancing requirements for arenas, stadiums, venues and festivals. Furlough for employees of promoters and venues that do not receive Government funding should be extended until social distancing is removed.
- We call for an immediate reduction in VAT for tickets for live events until summer 2023 which should be backdated to all shows that were scheduled to happen from March onwards.
- We call for refund protection from Government which would allow event organisers to issue no refunds for shows rescheduled within 15 months.
- We call on Government to offer indemnity for the live events sector or establish a Government-backed insurance solution, as is the case for terrorism. The sector needs certainty that events will be able to take place, or if forced to cancel, our sunk costs can be recouped.
- We call for Government to extend business rates waiver to venues, offices of promoters/venue operators, and theatres who do not receive Arts Council funding and whose business is not viable whilst social distancing is in place.

Attachments included in this submission

1. Letter from the Concert Promoters Association (CPA) to Secretary of State Oliver Dowden
2. Reduced capacity annex to CPA letter showing an estimated 75% capacity loss at 2m social distancing, and a 65% loss at 1m social distancing
3. Letter from the group Get Back To Live group representing over 100 of the largest organisations at the core of the venue-based music industry
4. Get Back To Live economic impact graphic
5. Ticketing allocation spreadsheet – how ticket allocation is divided between venues and agents
6. Melvin Benn's Full Capacity Plan

1. CPA letter

The Rt Hon Oliver Dowden CBE MP The Secretary of State Department for Digital, Culture, Media & Sport 100 Parliament Street, Westminster, London SW1A 2BQ

8th June 2020

Dear Secretary of State,

The CPA represents promoters and venues from across the United Kingdom. I write to you now, after we have worked long and hard to look at how we can best support our members throughout this unprecedented situation.

While we accept the Government's ban on mass gatherings from a public health perspective, the decision hit our members' businesses first and hit hard. From the 16th March when Government advised citizens to avoid non-essential contact with others, followed by the closure of the entertainment and events sector, our members have not been able to generate revenue.

As we enter the period of the year where the live music and entertainment sector would expect to generate most revenue, we are prevented from putting on shows, events and festivals.

Even with the easing of restrictions expected on July 4th, current social distancing requirements make most CPA members shows and festivals economically unviable. To open our doors to loss-making activity after four months of zero revenue is a decision that will be in varying degrees difficult to impossible.

The support Government has offered industry through CJRS is welcome, but it will end in October long before we are back to full business.

The live music and entertainment sector is critical to the international cultural reputation of the UK, just as the revenue it generates from its world leading venues, festivals and shows is critical to the UK economy.

Our members activity drives international tourism into the UK. We create a platform for new music and new business. We are one of the fastest growing areas of employment and support a huge ancillary local economy.

One night of live music in Birmingham could generate £3m for the local economy; the Great Escape festival in Brighton generates £16 million worth of business for artists, managers, songwriters, producers and all involved in the production of live events. TRNSMT festival in Glasgow generated a local economic impact of £10 million.

At stake right now are the livelihoods of at least 200,000 employees, £1.1 billion generated by live music for the UK economy, £30.2 million collected in royalties from live music by PRS for musicians and songwriters, the £1.28 billion and 20,550 jobs generated by the UK's arenas, the economy generated by the 30 million fans who will not be attending live music events this year including the 5 million fans who will not attend festivals this year.

We ask Government to remove social distancing requirements for arenas, stadiums, venues and festivals. Following Festival Republic's Full Capacity Plan, the industry could move back to normal rather than partial opening as soon as November using an incentive-based scheme devised to increase public use of the NHS Trace App. Working in partnership with Government, a test would allow the public safe access to live entertainment as an alternative to social distancing.

The removal of the 2m distancing rule will mean that CPA members would have a viable case for opening. In New Zealand, all social distancing measures will be lifted next week as the country moves to a base-level alert.

If Government cannot remove the social distancing requirements entirely, the maximum social distancing rule should be moved to 1m by July 4th in line with the World Health Organisation guidance and other markets in Europe such as France and Italy. Of course, 1m remains a high barrier to business. The attached document shows modelling for venues of various capacities. At 2m social distancing there is a 75% loss of capacity and at 1m social distancing lowers only slightly to 65%. It would be impossible to stage classical concerts or performances with a full orchestra at 1m social distancing.

If social distancing is imposed, CPA members will need urgent support to sustain our businesses until such time. The UK Government must provide a targeted financial recovery programme for the live music and entertainment sector along the lines of that from other Governments. New Zealand announced a NZ\$175 million package for music. Germany announced a €150 million live music fund. The French Government pledged €50 million on top a separate 'festival fund'.

The UK market is far larger and far more important to the global live entertainment economy than any of those listed above. The sheer size and success of the UK's live music and entertainment sector means the impact will be proportionately harder than for live in markets in Europe and Australasia. A recovery package must be implemented for our sector before the tapering of the CJRS at the end of July if the industry has any hope of tiding the next two years and having the resources to return to full business when social distancing is removed.

Two further matters we ask Government to address.

First the CPA is calling for an immediate reduction in VAT for tickets for live events for a minimum of 18 months. Across Europe a reduced VAT rate is offered to leisure and hospitality. CPA members are currently focused on whether we will continue to stay in business. A VAT break would support us through these tough economic trading conditions. It would considerably help us weather the storm until such a time as CPA members are able to return to full business. At that time, our members will resume their generation of huge tax receipts for HMT and the UK economy.

Second, the insurance industry is currently unwilling to provide any cover for COVID-19. This essentially means that any shows we invest in and promote are exposed to financial risk. From the moment shows are on sale, we immediately incur a range of costs including ticketing, marketing, venue hire and production. As these are currently uninsurable, promoters face potential losses from sunk costs for shows in the planning stage should restrictions be re-imposed forcing cancellation. We either need certainty that events will be able to take place, or more support from the insurance industry with cover made available for purchase.

As industry leaders we want to ensure the survival of as much of our members' business as possible, thus enabling them to continue to make a significant contribution to the UK culture and economy when we eventually emerge from this crisis. Touring and live performance is the biggest income generator for all those involved in live entertainment from the venues, to the artist, stagehand and production crew. All the connected employment needs the support of the UK Government until the sector can fully get back on the road. Investment now in the live music and entertainment sector makes sense as it will drive economic activity - jobs and recovery - across all UK tourism and hospitality.

More importantly, British and international fans, for their health and wellbeing, will need live music and entertainment more than ever to help recover from this crisis.

Yours sincerely

Phil Bowdery, Chairman CPA

CC: Minister for Digital and Culture, DCMS, Caroline Dinenage MP and advisors

2. Reduced capacity annex to CPA letter

VENUES: CAPACITIES UNDER SOCIAL DISTANCING:

Modelling assumes a 75% cap loss at 2m and 65% loss at 1m, reflected below

Venue Capacity	Cap@2m	Cap@1m
500	125	175
800	200	280
1000	250	350
1200	300	420
1500	375	525
1600	400	560
1800	450	630
2000	500	700
2150	537	752
2300	575	805
2550	637	892
3009	752	1053
3500	875	1225
4921	1230	1772

3. On behalf of Get Back to Live – Live Music Industry Request

Karl Chapman

Mon 08/06/2020 17:21

To: [REDACTED]

Cc: [REDACTED]

Dear Tal

Get Back to Live – A Position Statement and Request for Support from the UK's Live Music Industry

Key Summary

- **The Covid-19 pandemic will all but obliterate our industry, one of the UK's social, cultural and economic success stories over the past decade**
- **Going from a record high £1.1 billion direct contribution to the UK economy in 2018 to zero in 2020, destroying not only the venue infrastructure across the country but the essential chain of supporting industries that make live music happen**
- **Social distancing does not offer a viable economic model in which the industry can operate, putting 200,000 jobs at risk across the UK**
- **A comprehensive, tailored package of measures are urgently needed to stop the sector collapsing and curtail the mass redundancy processes that are already beginning to take place**

Get Back to Live is a group set up in response to the current Covid-19 pandemic. We represent over 100 of the largest organisations at the core of the venue-based music industry in the UK - from arenas and concert halls the length and breadth of the country to the concert promoters that make the events happen in venues and at festivals – the Concert Promoters Association, the National Arenas Association and the British Association of Concert Halls.

We are the Premier League of live music and entertainment. We cater to millions of fans, millions of tourists and support a huge ecosystem of employment and creative development locally, nationally and internationally.

We are committed to getting back to live while keeping our audiences, staff and artists safe and not increasing the risks to the wider public and the NHS.

Economic impact

The UK Music industry has for decades been a cultural and economic success, with live music last year hitting a record high of a £1.1 billion contribution to the value of the British economy and providing an engine to drive the wider music sector. Nearly 25 million people attended a concert in 2018.* In addition:

- We support the livelihoods of at least 200,000 employees in the music industry
- The National Arenas Association and the British Association of Concert Halls venues generate a combined additional annual contribution of up to £1.9 billion to local economies and support a combined total of 31,500 jobs in their areas across the UK
- The UK's arenas alone generate 20,550 jobs

- On a single night, our member venues employ a combined total of over 11,200 people, of which between 81% and 95% are contractors and casual/freelance staff (95% across all the arenas).
- A snapshot on one city alone is breath-taking – just one night of live music across Birmingham can generate circa £3 million to the local economy.
- £30.2 million were collected in royalties from live music by PRS for musicians and songwriters
- The Great Escape in Brighton generated £16 million worth of business for artists, managers and agents
- The music industry in Scotland generated £431 million of spending and sustained 4,300 full-time jobs*
- Our nation’s orchestras played live to 4.25 million people in the UK and delivered education or training sessions for all ages - which involved almost 700,000 people.**

Across the UK the figures and the impact on jobs and livelihoods become stark as we head toward a meltdown in our sector.

It is easy to tell the simple story: no venue equals no show. But what you see on the stage – your favourite band, one of our great orchestras or a top comedian - is the tip of the iceberg supported by a rich cast of industries all relying on the income generated by the final event. Lighting designers, sound engineers, riggers and transport/logistic companies, and local crew all make the show happen; PR, advertising and marketing agencies, merchandise, box office staff, videographers and designers are relied on to sell the event; a network of orchestras, dancers, backing vocalists and freelancers, rehearsal studios and artist’s agents all deliver the show; the taxi drivers and local transport networks; the pubs, bars and restaurants that surround our shows and events also all rely on our busy venues for their own economic survival.

Entertainment venues support thousands of jobs and numerous industries that stretch a broad cross section of all services from cleaning, waste disposal and painting as well as the more obvious jobs involved in the production of shows. The economic impact of the wider community cannot be ignored as these businesses rely upon our event calendars to support their own businesses. A Monday night in November can offer very little footfall for these businesses, however, with an event taking place at the arenas and concert halls these businesses are busy and rely upon our activity to support their non-peak times. This also extends to the smaller independent shops and businesses.

Venues have acted as a catalyst for the regeneration of deprived areas. The Utilita Arena in Birmingham City Centre is a good example of this type of regeneration with the development of luxury accommodation alongside affordable social housing, bars, restaurants, retail and visitor attractions all being developed since the venue opened 30 years ago.

The majority of staff employed directly or indirectly by the arena are very local, especially service providers and agency staff (security / cleaning / catering).

A complex supply chain that can be lost from view, and all of which require planning times of many months to deliver. We cannot just turn on the tap and deliver a concert in a few days or weeks.

Road Map to Recovery and Adaptation

Our industry finds itself in an impossible situation which is likely to result in the imminent collapse of the sector adding tens of thousands of people across the UK to the unemployment line. But we are creative, resilient and focussed on solutions on getting back to live. Survey after survey show that audiences want the live venue experience back in their lives but only when safe to do so.

We can create the framework for getting back to live but call on the UK and devolved parliaments of Scotland, Wales and Northern Ireland to:

- Provide a financial aid programme for industries at the end of the COVID19 crisis through extended furloughing schemes, business rate holidays, cultural VAT exemption rates and rent breaks;
- Offer sector specific loans and grants (including for self-employed and contractors/suppliers)
- Support the industry through government-backed insurance schemes to create an enabling attitude
- To work together with the industry to restore confidence in artists, audiences and staff through a coherent road map to improve social distancing measures, building back to full capacity
- Develop and fund capital programmes and public safety measures that enable venues to operate in ways that do not increase disease exposure and subsequent impact
- Help us work across the entire supply chain through international agencies to local suppliers to create a safe and enabling approach to restoring business

Without which, decades of success and investment in our creative industries will simply melt away.

We would very much appreciate further dialogue with you to discuss these issues in more detail.

Kind regards

Signed by, and sent on behalf of, the following

Concert Promoters Association Membership

AEG Presents Ltd

Academy Music Group

Aiken Productions

Artist Promotions Management

Asgard

Barbican

Bridgewater Hall

Bristol Music Trust

Broadwick Live

Celtic Connections

CMP Live
Crosstown Concerts
Cuffe and Taylor
D.F. Concerts Ltd
Dan Colman Limited
Derek Block Concert Promotions Ltd
DHP Family
Edge Street Live
Entertainers
Exchange Events
Festival Republic
Flying Music
Form Presents
Forest Live
FVWL Hotel Ltd (University of Bolton Stadium)
Green Man Festival
Handshake Ltd
HQ Theatres
IMG UK Ltd
ITB
Jockey Club Racecourses
Kennedy Street Enterprises
Kilimanjaro Live
Leeds Town Hall
Live Nation (Music) UK Limited
Liverpool Philharmonic Hall
Marshall Arts
MCD Productions
Metropolis Music
NUS Services Ltd
Performances Birmingham
Phil McIntyre Entertainments
Portsmouth Cultural Trust

Raymond Gubbay Limited
Regular Music
Robomagic Live
Roundhouse
Sage Gateshead
Senbla
Serious Ltd
SJM Concerts
Southbank Centre
Superstruct Entertainment
The Gig Cartel
Triple A Entertainment Group
Triple G Music
U-Live
Usher Hall, Edinburgh
Wolverhampton Civic Hall
Workers Beer Company

National Arenas Association



3Arena	Dublin
Alexandra Palace	London
Bournemouth International Centre	Bournemouth
Derby Arena	Derby
East of England Arena	Peterborough
First Direct Arena	Leeds
FlyDSA Arena	Sheffield
M&S Bank Arena	Liverpool
Manchester Arena	Manchester
Motorpoint Arena Cardiff	Cardiff
Motorpoint Arena Nottingham	Nottingham

Olympia	London
P and J Live	Aberdeen
Resorts World Arena	Birmingham
Ricoh Arena	Coventry
Royal Albert Hall	London
SEC	Glasgow
SSE Arena Belfast	Belfast
SSE Arena, Wembley	London
The Brighton Centre	Brighton
The O2	London
Utilita Arena	Birmingham
Utilita Arena	Newcastle

British Association of Concert Halls

The Anvil	Basingstoke
Belfast Waterfront and Ulster Halls	Belfast
Town Hall & Symphony Hall	Birmingham
Wiltshire Music Centre	Bradford on Avon
Brighton Dome & Festival	Brighton
St George's	Bristol
Colston Hall	Bristol
The Apex,	Bury St Edmunds
St David's Hall	Cardiff
Royal Welsh College of Music and Drama	Cardiff
Fairfield Halls	Croydon
National Concert Hall	Dublin
Usher Hall	Edinburgh
Sage Gateshead	Gateshead
Glasgow's Concert Halls	Glasgow
Leeds Town Hall	Leeds

De Montfort Hall	Leicester
Philharmonic Hall	Liverpool
Cadogan Hall	London
Kings Place	London
Wigmore Hall	London
Barbican	London
Southbank Centre	London
St John's, Smith Square	London
Royal Albert Hall	London
Bridgewater Hall	Manchester
Stoller Hall	Manchester
Royal Northern College of Music	Manchester
Middlesbrough Town Hall	Middlesbrough
Royal and Derngate	Northampton
Royal Concert Hall & Theatre Royal	Nottingham
Perth Concert Hall	Perth
Lighthouse Poole's Centre for the Arts	Poole
Portsmouth Guildhall	Portsmouth
Saffron Hall	Saffron Walden
Turner Sims Concert Hall	Southampton
Warwick Arts Centre	Warwick

Sources

* UK Music live report 2019

** The ABO State of the UK's Orchestras 2019 report

Karl Chapman

Cultural Venues Manager

City of Edinburgh Council

4. Get Back To Live Economic impact graphic



THE CONCERT PROMOTERS ASSOCIATION LIMITED



We Represent the UK Live Entertainment Industry

We represent over 100 of the largest commercial organisations at the core of the venue-based music and entertainment industry in the UK (see next slide for full member list).

Nearly 30 million fans attended a live music event in 2018*

Our nation's orchestras played live to 4.25 million people in the UK and delivered education or training sessions for all ages - which involved almost 700,000 people**

Economic Risks Posed by COVID-19 & Social Distancing

The economic contribution from the 59 NAA and BACH venues currently at risk includes:

The live music industry's **direct £1.1 billion** contribution to the British economy

The combined annual indirect contribution of **£2 billion** and **31,500 jobs** in the UK's local economies

The total annual ticket income over **£776 million**

The **£30.2 million** collected annually in royalties from live music by PRS for musicians and songwriters

The **11.2 million** tourists who attend live music events spending **£4.5 billion**

The **£431 million** of spending and sustained **4,300 full-time jobs*** generated by the music industry in Scotland

The **£3 million** to the local economy generated by just one night of live music across Birmingham

The **£16 million** worth of business for artists, managers and agents generated by The Great Escape in Brighton

Livelihoods Are At Risk

On a single night our member venues employ a combined total of over **11,200 people**, of which between **81% and 95%** are contractors or casual staff (95% across all the arenas)

There are at least **200,000 people** directly employed by the music industry

There are **20,550 jobs** generated by the UK's arenas alone

Social distancing does not offer a viable economic model in which the industry can operate. Social distancing at 2m gives us 20-25% of usual capacity. A move to 1m only increases to 30-35%.

5. Ticketing allocation spreadsheet

		Allocations																	
		Capacity	Venue		Agent A		Agent B		Agent C		Agent D		Agent E		Agent F		Agent G		
Arena A	Event A	14,509	11,304	78%	2,000	14%	1,205	8%											
	Event B	13,783	10,831	79%	2,000	15%	952	7%											
	Event C	18,248	14,214	78%	3,000	16%	1,034	6%											
	Event D	8,635	6,343	73%	1,292	15%	1,000	12%											
Theatre B	Event E	3,500	2,500	71%	800	23%	200	6%											
	Event F	3,500	2,530	72%	640	18%	160	5%	170	5%									
Open Air Theatre	Event G	7,990	6623	83%	350	4%	200	3%	180	2%	230	3%	200	3%					
Stadium	Event H	50,069	4497	9%	41,681	83%	300	1%	200	0.4%	1618	3%	250	0%					
Academy	Event I	4,500	2994	67%	19	0%	230	5%	235	5%	26	1%	237	5%	30	1%	15	0.3%	

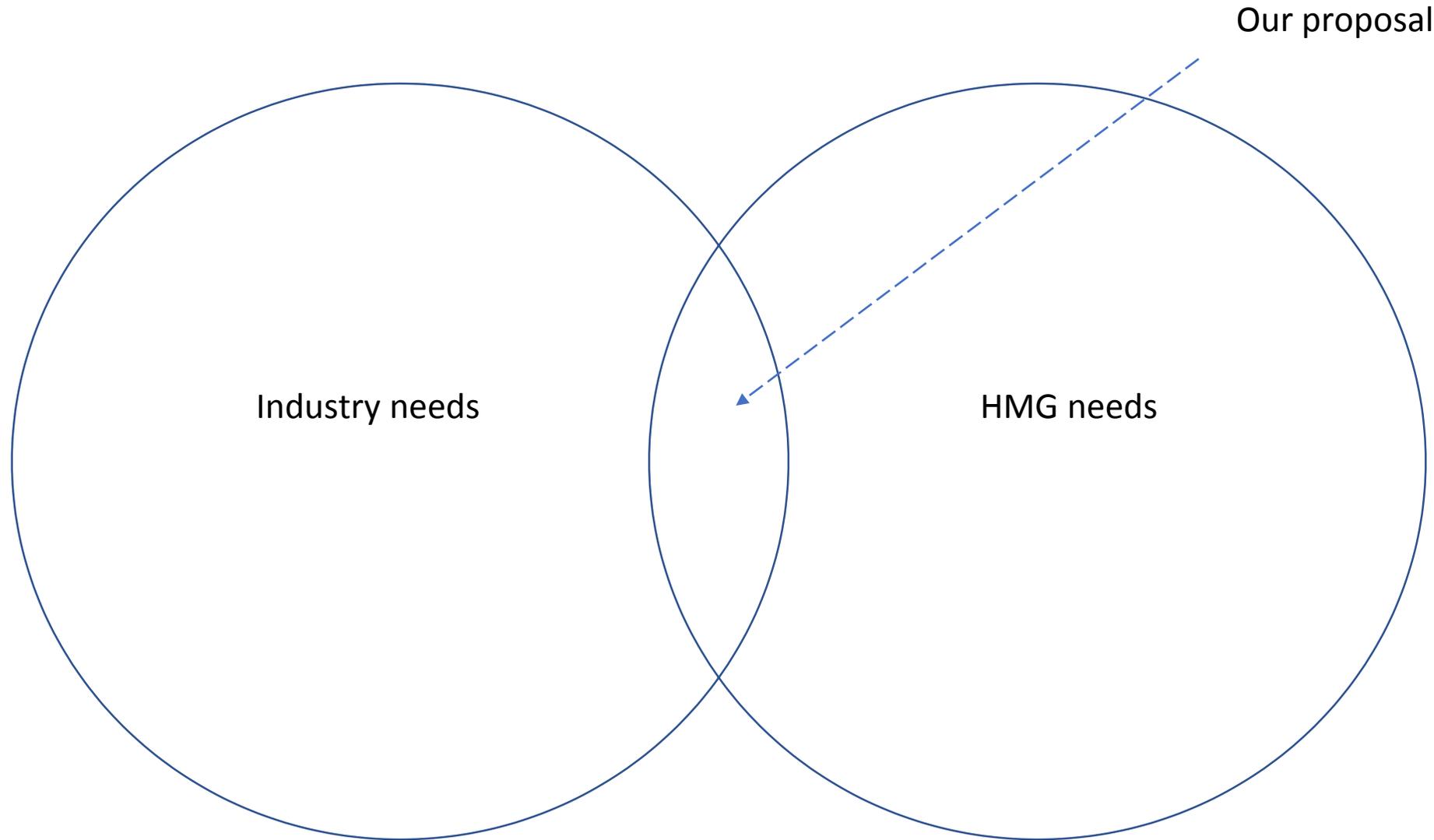


The Full Capacity Plan

© June 2020
Melvin Benn

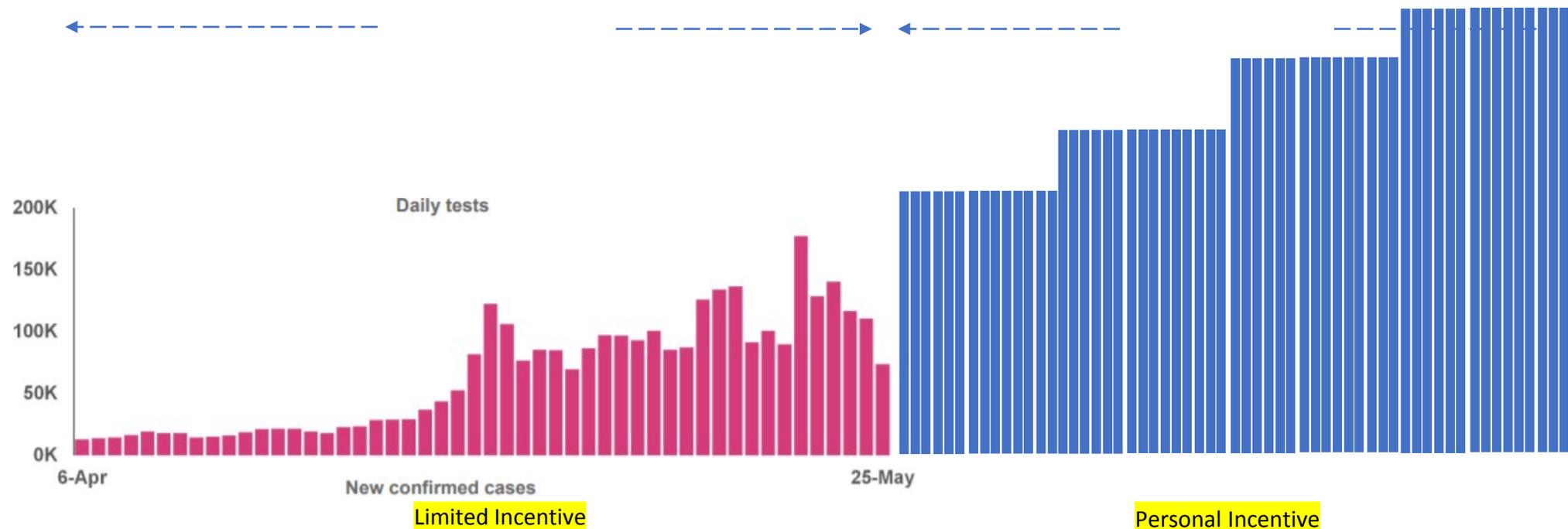
Health Verification Proposal v0.1

Our shared interest



Increasing COVID-19 testing

By providing an incentive based scheme we can help government rapidly increase public use of the NHSX trace app and participation rates for COVID-19 population testing



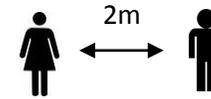
Today, limited incentives to take a COVID-19 test are resulting in a cap on population testing rates. Plus only those with symptoms are likely to attend

By linking a test with a personal incentive, this cap can be removed and testing numbers accelerate, increasing governments situational awareness. Plus those with symptoms and those who are asymptomatic are likely to attend

Safely restarting the economy

Where there is low testing and uncertainty around public infection rates, social distancing must be maintained.

But this is causing economic damage as some industries cannot operate under these conditions



Where sectors of the population have recently tested negative for COVID-19, social distancing amongst those people can be temporarily but safely relaxed.

This can unlock the restart of the hospitality and entertainment industry, protecting jobs and restarting the economy



Working in partnership

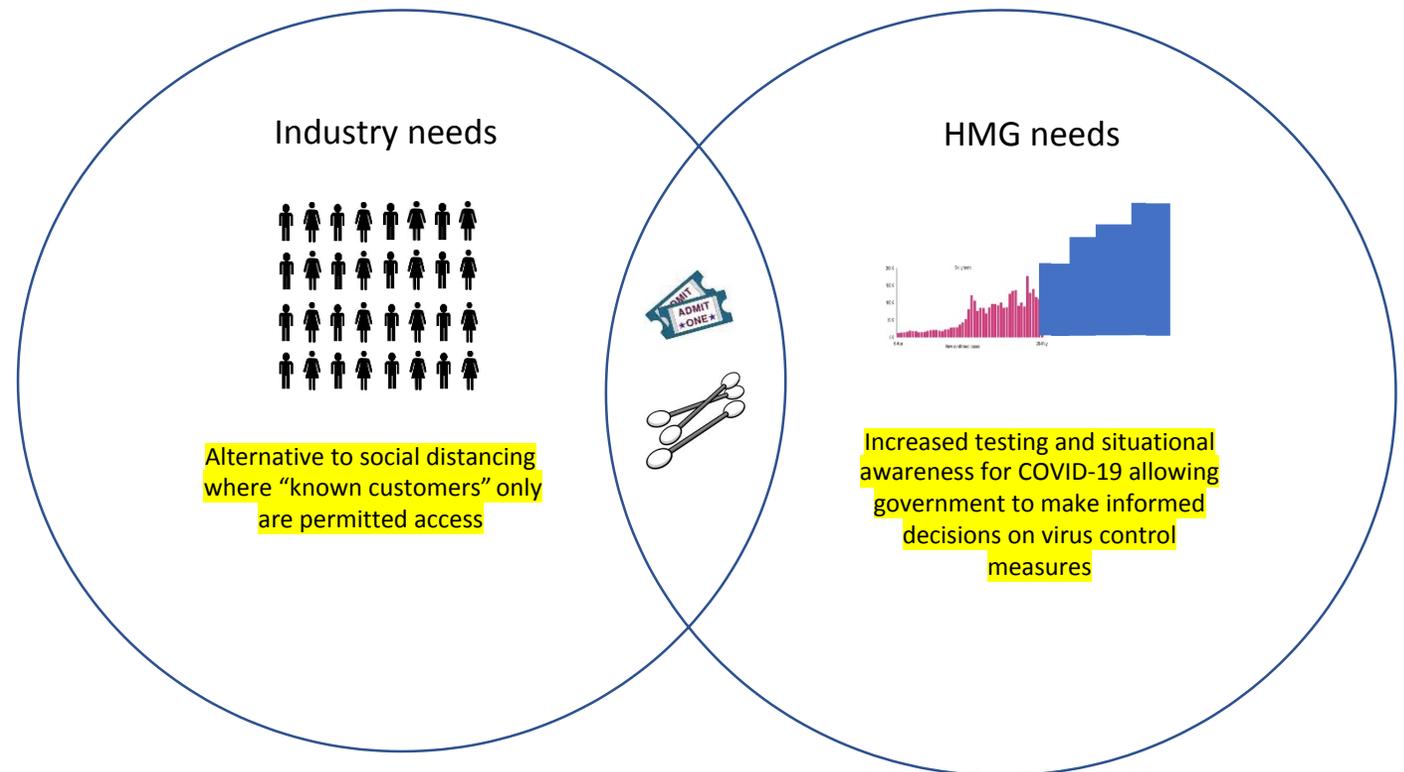
Every music, sport, theatre or restaurant trip = a motivation to test

Our proposal will connect **access to the entertainment and hospitality sector to a mandatory COVID-19 test.**

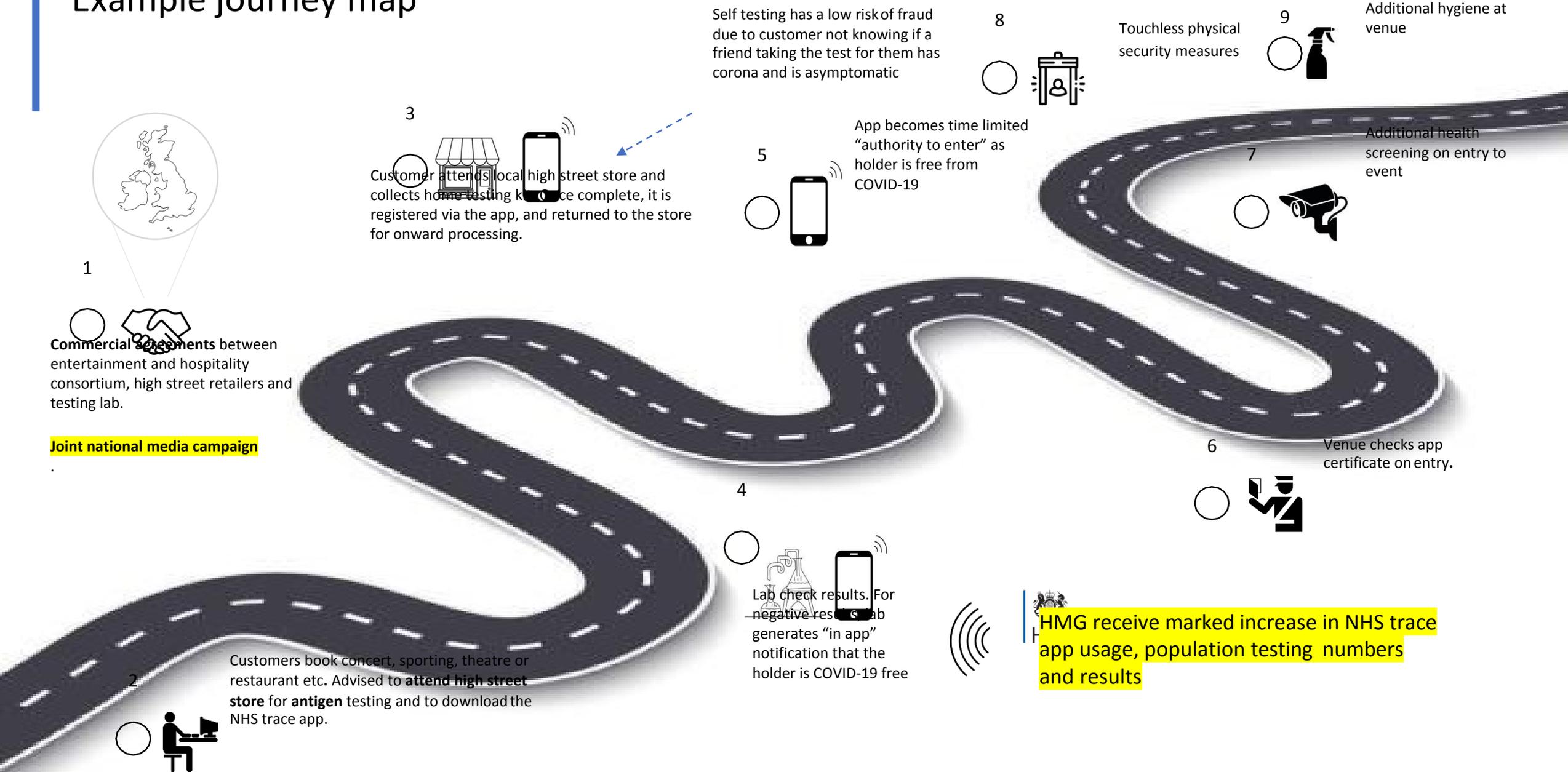
This will create a **personal incentive** for the population to get frequently tested and use the NHS trace app.

In doing so it will **rapidly increase population testing and tracing.**

This known customer principle provides a **safe alternative to social distancing for the entertainment and hospitality sector** for “known customers” who have tested free from COVID-19.



Example journey map



COVID-19 testing

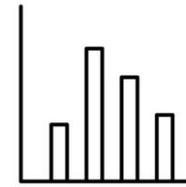
Locally accessible tests that can be conducted safely at home with fast and secure electronic notification



Register test



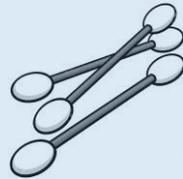
Return to store



Receive "in app" results fast

Frequency of testing

A flexible system that can adapt to changes in local infection rates



Time between test and event (certificate validity) based on **R + infection rate + medical advice**

Options include regularly bi-monthly tests for unfettered access to sector or immediately before a planned event in higher risk scenarios.

By linking the certificate with the NHS trace app, upon contact with a COVID-19 person, the certificate can automatically expire

Provisional timeline

- ✓ June Agreement in principle for pilot in partnership with HM Government
- ✓ June/July National awareness campaign on full capacity strategy
- ✓ August Proof of concept pilot at a single event
- ✓ September Further sector pilots (theatre, sporting events, restaurants)
- ✓ November+ Industry restart with embedded new process and rapid scaling