

Written evidence submitted by Prospect (including Bectu)

Covid-19 impact on DCMS Sectors

DCMS Select Committee, 19th June 2020

Introduction

1. Prospect is a politically independent Trade Union representing around 147,000 workers in the public and private sectors across the UK. Our Bectu sector is one of the major trade unions for workers in the creative industries, representing tens of thousands of creative workers in a variety of roles across film, TV, live events, theatre and other areas. In addition Prospect represents workers in the heritage sector, particularly in museums and galleries, archaeology and the National Trust.
2. It is impossible to overstate the impact that the pandemic has had on these sectors, where it has caused a complete closure and an existential threat to the survival of entire industries. These areas are characterised by a reliance on freelance or self-employed workers, lack of ability to sustain losses, and an inability to function effectively with social distancing. This cocktail has resulted in a situation in which the creative and heritage sectors are fighting for survival.
3. The potential impact on employment in the sector is set out in most detail in recent analysis produced by Oxford Economics for the Creative Industries Federation: <https://www.creativeindustriesfederation.com/news/press-release-cultural-catastrophe-over-400000-creative-jobs-could-be-lost-projected-economic>
4. We will not seek to duplicate this comprehensive work here, instead we will focus on the experience of workers in these industries through the crisis and beyond.
5. It is worth noting at this point that Prospect (and Bectu) now sit on four of the Department's working groups: Museums and Galleries, Heritage, Entertainment and Events, and Broadcasting, Film and Production.

Summary of recommendations

In order to support these sectors to survive and thrive in the future we are asking the government to consider:

- Closing the gaps in the CJRS and SEISS to support freelancers, directors of Ltd companies and others who have missed out on support.
- Sectoral extension of the CJRS beyond the current end date, to be targeted at areas such as theatres that will struggle to reopen in a profitable way
- A comprehensive rescue and recovery package for UK theatres, including tax reliefs and direct investment
- Support to help all sectors of the creative industries with the difficulty of insuring productions

- Flexibility on the cut-off for furlough under CJRS for areas such as post-production that are only now facing a shortfall in work
- Immediate financial support to heritage ALBs sponsored by the Department in advance of the Autumn Budget
- Work with vital charitable organisations, such as the National Trust on a plan to stabilise their income and avoid job losses

Income Support Schemes

6. The first set of issues to explore is the predominance of atypical working arrangements in these sectors and the associated problems with accessing the government's income support schemes. Even before the government launched the Coronavirus Job Retention Scheme (CJRS) we had warned publically that assistance was limited to 'employees' and 'sole-traders' then a large proportion of workers, including many of the most vulnerable, would be left out. These fears were heightened when the Self Employment Income Support Scheme (SEISS) was announced.
7. We have informed the Committee previously about the various groups who fall between the gaps in these schemes and we appreciate the work of the Committee in highlighting these issues. The groups include:
8. PAYE freelancers who work on short term contracts, often in film and TV but also in other areas such as archaeology. Some of these workers were able to be furloughed and we secured some important clarification from Treasury regarding the position on furlough of those on fixed-term contracts which was welcome. We would also like to place on record that there were many excellent employers that did all they could to furlough their freelance staff. However our survey work demonstrates that around half (47%) of this group were unable to be furloughed as they were not in a contract in March and many more were caught out by rigid Treasury rules around RTI submission dates. The net result is that the majority of PAYE freelancers, who make up a substantial segment of the Creative Workforce, have been unable to access either support scheme and have been left with no income. This is particularly worrying as many younger workers and new entrants to the industry fall within this group.
9. The issues surrounding workers who operate through their own Limited Companies and take their income as dividends have also been well covered by the Committee. It is worth reiterating that many of those operating in this way in the creative sector did not choose to do so but set themselves up in this way at the request of employers in order to facilitate ease of contracting and to avoid the possibility of workers accruing employment rights.
10. Prospect were engaged with Treasury about this issue consistently throughout the crisis and presented solutions to the issue. We understand the government's concerns about fraud and workability, however we remain convinced that there was a workable solution that would have enabled this group to receive support- the decision not to do this was a political one.
11. The other holes in the schemes, such as for those who combine PAYE income with self-employment, those who are newly self-employed, issues surrounding maternity leave are all familiar to the committee. We have lobbied alongside employers and other groups such as the Creative Industries Federation to highlight these gaps, however it has been apparent throughout that government lacks an understanding of the nature of the labour

market in these areas. In particular we have been disappointed with the apparent lack of lobbying of Treasury by DCMS on behalf of workers in the sector- a point that was raised at the recent Committee evidence session with Minister Dinenage.

12. Our May survey found that half of creative freelancers were borrowing money to survive COVID-19 crisis. As well as formal forms of borrowing, 23% of respondents also reported asking their families for money and over a third (36%) are using money set aside for tax bills to live on while their workplaces are closed.
13. It is our view that the government should conduct a full review into those who fell through the gaps in their schemes, why the decision was made not to close these gaps, and what a New Deal for Freelancers and the Self-employed may look like as we emerge from this crisis.

Theatre and Live Events

14. Our Bectu sector represents thousands of workers across theatres and live events. The theatre industry alone employs around 290,000 workers, around 70% of whom are freelance or self-employed.
15. This is a highly productive sector of the economy, with evidence provided to the Committee by SOLT demonstrating the multiplier effect on the local and regional economies provided by theatre, performing arts and other live events.
16. These venues have been closed since the beginning of the pandemic and still face the prospect of months without any footfall. Due to high fixed costs associated with listed buildings, venues are losing money at an alarming rate with around 70% set to run out of funds by the end of the year.
17. We are deeply concerned that the implementation of the taper within the CJRS will result in thousands of job losses across this sector if there is not an urgent rescue and recovery package from the government. Theatre in particular will need months of rehearsals and ticket sales before audiences can return and income can come in stream. As a result, we are unlikely to see many venues opening to the public before the end of 2020 or start of 2021. The government must therefore commit to extending the CJRS for this sector until audiences are back in sufficient numbers.
18. Examples of issues in this sector include: The Royal Albert Hall can fill 30-35% of the venue with social distancing measures in place; with social bubbles (boxes of 8-12), they can fill 45% however they need 60% to break even. The promoters need 80% to break even. 80% of the Royal Albert Hall's shows are promoter hire.
19. Digital streaming is not profitable –in fact some organisations are actually losing money maintaining their brand through streaming. Many venues are not even in a position to produce digital content in the first place. Digital streaming is a red herring and will not save the industry.
20. The live events industry contributes a huge amount to the economy and if venues and live events workers are supported at this time, they can pick up the industry where it was. If they aren't, many will leave (in a recent webinar call, over half of attendees said they were considering leaving the industry permanently) and won't be in a position to bring the industry back.
21. Many venues, including larger ones, will become insolvent. Tourists come to our big cities for culture, without clubs, venues and art galleries, they will not return once the pandemic eases. With Brexit on the horizon and the public already questioning

government policy during the pandemic, if world famous institutions start to go under, the public will react negatively.

22. Going outside the venue is also not an option due to the added cost of rebuilding the venue outside, the extra security required and the lower footfall due to social distancing. Many parks and outdoor spaces are not taking hires currently anyway.
23. Festivals are in a similar situation as the extra cost of implementing social distancing (extra security for various areas within the festival) as well as the lowered footfall would cripple the vast majority, particularly after a year where everything has been cancelled.
24. In live events, most of the money is made on the bar. It is impossible to see how social distancing can be maintained when the audience are drinking. However it is equally difficult to see how these venues could be profitable in the absence of bar profits.
25. The difficulty of reopening has many facets, one of which is the challenge of obtaining insurance. In advance of reopening theatres and other venues it will be necessary for government to work with employers and the insurance industry to facilitate an appropriate system of insurance that will allow productions to have the necessary confidence to begin production and eventually open to the public
26. The government must recognise that it would be senseless to allow these venues to collapse and put in place the necessary financial resources to sustain the sector. This could involve government taking equity stakes and acting as an 'angel investor'.
27. In addition we support calls from the industry to allow for a reshaping of Arts Council England subsidies to frontload money and to substantially increase the Theatre Tax Relief in order to kickstart the sector.

Heritage

28. Within what Prospect identifies as the Heritage Sector we represent over 8,000 members across the UK. These members work in areas such as the National Museums and Galleries, The National Trust, Historic Environment Scotland, the National Library of Wales and archaeological trusts. This evidence is based on the areas under the responsibility of the DCMS.
29. The Arms-Length Bodies (ALBs) sponsored by the DCMS in which Prospect represents members are largely visitor-based, so as soon as it became clear that the Government was advising institutions to restrict public access, the national museums and galleries together with English Heritage, for example, started to close their facilities to the public. For many organisations, particularly those that have followed Government policy, set over many years, to become more reliant on self-generated income this has caused immediate and ongoing financial difficulty. In relation to the national museums and galleries, both Tate and the National Gallery, for example, were about to, or had just opened their big income generating blockbuster exhibitions (Warhol and Titian) respectively. Having invested heavily in these exhibitions, these nationals will now lose most, if not all of the income even if they are able to reopen in July/August. The standing costs, primarily staff costs still have to be met and we are told that the national museums and galleries are relying on reserves to see them through the financial year. These reserves are limited and this is an unsustainable long-term position.
30. For many other organisations the financial position is even worse, with the National Trust receiving no Government grant and English Heritage being in the last two

years of reducing government support. These organisations are almost entirely reliant on the income from visitors either through the purchase of tickets to the sites, or through income from the cafes and restaurants and from private functions including weddings or film-making. That income has, of course, completely evaporated. The National Trust is now seeking to save £100m and this can only come about through redundancies. We have members who have just started working at the Trust and who have now been made redundant or fear that they will be in that position very soon.

31. An immediate impact on the sector was huge uncertainty for the staff, particularly those who are known as front-of-house staff or those who are visitor facing eg who work in Reading Rooms or Archives. Their immediate concern was the issue of what would happen to their income. These people were not going to be able to work from home. Fortunately the furlough scheme, introduced as part of the Government Job Retention Scheme (GJRS) following consultation with the TUC, provided some considerable relief, ensuring that at least 80% of salaries would be paid. Prospect and our sister unions supported use of the furlough scheme but only on the basis that national museums and galleries would top-up pay to 100% as employers are allowed to do under the scheme. Given the extremely low pay levels in the Sector this top-up was essential for the furloughed staff. To their credit most national museums and galleries agreed to apply the top-up and the DCMS appeared to approve the use of furlough on this basis. The Treasury, however, intervened and sought to dissuade the DCMS from allowing the NDPBs to apply the top-up. Fortunately this was resisted by the NDPBs as well as the unions and the top-up was applied. Not all of the heritage organisations could afford to apply the top-up eg English Heritage. The National Trust did apply the top-up but only after reaching agreement with the unions that its pay offer would be withdrawn.
32. The extension of the CJRS and the introduction of flexibility to bring staff back on a part-time basis is useful and it is hoped that most Museums and heritage bodies will reopen in July/August but there may still be a requirement to have staff furloughed beyond that date at which point there will be a further cost to employing bodies. Prospect has also raised our concerns that freelancers, including educators and art handlers, have not been fully covered by the Self-employed Income Support Scheme.
33. The heritage sector is notoriously low paid. There are a number of national museums and galleries that still do not pay the London or national Real Living Wage and pay rates in the rest of the sector lag significantly below the pay in jobs of equivalent weight elsewhere. This has been a long-standing problem and Prospect members across the sector, from archaeology to national museums and galleries have in the last few years been moved to threaten or take industrial action to improve their lot. As a result of the financial problems caused by the pandemic, some employing bodies have indicated that they may not be able to make pay offers this year, including the Royal Museums Greenwich which lags some way behind the current Real London Living Wage. Further restricting pay in this already low-paid sector will do nothing to help morale, especially when there are real concerns about returning to work for many who will be expected to have daily contact with visitors.
34. The furloughing of so many staff has, of course, had an impact on planned public programme activity, so Tate St. Ives for example, has cancelled or postponed all its activity in this area. Despite the restriction of physical visits to national museums, galleries and other heritage sites, staff who have not been furloughed have worked

hard to ensure that their organisations can make their collections and their expertise available digitally (eg the Imperial War Museum's 60 second curator offering on Twitter and the Natural History Museum's Live talks with scientists on facebook.) They have also sought to engage with disadvantaged communities and Tate St. Ives has engaged with disadvantaged communities by distributing art materials through local foodbanks in Penzance, St.Ives, Hayle and Carbis Bay. We should remember however, that many members of staff have been on furlough since the end of March and have found the separation from work and the isolation to be difficult to bear. Although most employers have tried to offer support to these valuable members of staff, it is clear to Prospect that a significant number of these members have been badly affected and have, for example, grown concerned about whether they will have jobs to go back to and whether those jobs will be safe. In this context, the concerns about the disproportionate effect of the virus on those from ethnic minority communities has caused concern, particularly as these members of staff form a significant proportion of the workforce who are primarily visitor facing. The failure of the Government to publish the PHE findings on this has been extremely unhelpful and has prevented employing bodies and unions from dealing with this issue effectively.

35. The sector is, of course, now preparing to reopen, but most ALB's are planning on reopening at 25-30% of capacity. There is obviously a further cost associated with work to adapt buildings, produce signage and purchase PPE. Furthermore, the planned reduced capacity will have an impact on income as ticket sales for entry to the site or paid exhibitions will reduce. There will also be a reduction in income from cafes, restaurants and functions. Overseas visitors, who form a large percentage of visitors to heritage bodies will also not be returning in the short to medium term and a survey by ALVA shows that many UK-based visitors have some major concerns about making early returns to heritage sites. All of this is compounded by concerns about use of the public transport system, particularly in London. In short the severe economic impact of the pandemic is going to be medium to long term and will require a medium to long-term solution.
36. As indicated above, the ALBs moved quickly to consider furloughing staff and closing facilities when it became clear that public access would cease. DCMS co-operated and seemingly agreed that the furlough scheme should apply (with the top-up to 100% of salary) even though the terms of the Government's Job Retention Scheme suggested that it would be rare for it to apply in the public sector. Unfortunately, the Treasury appeared to take a different view and as some organisations were about to inform their staff that they would be furloughed with the top-up, it intervened. After a delay and resistance from the unions and ALBs, it was agreed that employing bodies could apply the top-up, but it was made clear that this would reduce funding available to meet future cost pressures. Worryingly, the ALBs were told that while the DCMS would continue to support them in mitigating financial risks, further government financial assistance to bridge any projected deficit could not be presumed. The unions have complained that this does not represent a supportive approach and argued that a financial rescue package is essential.
37. Furthermore there has been an absence of any clear assurance that the significant financial difficulties facing the ALBs will be addressed in any meaningful way. We are told that there will be a public spending announcement in Autumn, but this will be far too late for the ALBs even if additional resources are forthcoming. In the absence of any assurances about replacing lost income and reviewing grant-in-aid most, if not all ALBs sponsored by the DCMS are now remodelling their finances and preparing to

strip out operational costs from their budgets, with some of the nationals indicating that they could completely deplete their reserves in this financial year. This is bound to have an impact on jobs and the services that these organisations provide. Given the nature of many of the specialist roles in the sector, once they have been dispensed with, it will be difficult to replace them. We seek a clear assurance that, at the least, emergency funding is provided to the ALBs so that they can replace the income they have lost/will lose through the pandemic and meet any additional costs. As indicated above the impact will last well beyond the period of closure and almost certainly last well into the next financial year.

38. It has been helpful that the DCMS has created task forces and working groups to prepare guidance for the return to work and the involvement of the trade unions in this process has been welcome. It is essential, in terms of building the confidence of staff to return, that they see that their unions have been involved in that process. It is similarly essential that all employing bodies are seen to be properly consulting their union representatives at local level.
39. It is difficult to assess the long-term impact of Covid-19 on the sector as it is not clear whether, or to what extent, social distancing in public places will remain the norm well into the future. There is speculation that the current 2 metre gap will be reduced to 1.5m as it is in Germany and the Netherlands, for example, or whether the WHO guidance of 1m will be applied within the next few months. Clearly changes to social distancing will have an impact on capacity and therefore, self-generated income. It is also not clear when overseas tourism, which is so important in terms of income generation, will return to current levels. A second wave of the pandemic would also have a major impact on the support needed.
40. As indicated above there is an immediate requirement for a financial rescue package for the ALBs sponsored by the department. This must reflect the self-generated income lost through the period of closure, the ongoing losses for the remainder of the year and there needs to be a recognition that there could well be knock-on effects into the next financial year. The urgency of this cannot be overstated as without this many museums, galleries and heritage bodies are likely to reduce expenditure based on their known losses. This will have a negative effect on what museums can provide. It should be borne in mind that these ALBs have had to make very difficult decisions over recent years in response to austerity.
41. Without such a financial rescue package there will also be further downward pressure on jobs and pay. Clearly this would be disastrous for those working in the sector but it would also be highly likely to damage efforts made by most, if not all, ALBs to diversify their workforce. Far too many members of staff can only work in the sector with the support of financially secure family members. This militates against entry into the sector of those from more disadvantaged backgrounds and perpetrates the image of the national museums and galleries as employing bodies where staffing is segregated with white workers predominantly in the higher paid roles and those from ethnic minorities occupying the lower paid roles. Where ethnic minorities are employed in the sector they are largely segregated into the lowest paid roles. At a time when the Black Lives Matter campaign is having a major impact, it is time that our heritage bodies are supported in addressing this issue.
42. It should also be noted that the request for financial support should not be seen as a metaphorical holding out of a begging bowl. The Sector provides essential services to the nation in terms of wellbeing, education, sense of place, community cohesion and public health amongst others. It is also an engine of economic generation. The Arts

Council has estimated that every £1 of Government money spent in the sector generates £3 back into the economy. Investment in this sector will be extremely important in helping to pull the UK out of what is set to be one of the worst recessions in memory.

43. As highlighted above, the DCMS working groups on return to work have done much valuable work in providing the framework for a safe return to work, but that is the start of the process not the conclusion of it. There will undoubtedly be changes in the social distancing guidance, for example, and there will be a need for ongoing advice. It is important that the collaborative approach adopted by the working groups continues into the future and that ongoing support is available to employing bodies. This will support the growth of confidence in both staff and visitors.
44. The pandemic has shone a light on the inadequacies of the method of funding the ALBs. The approach over decades, of “encouraging” museums and galleries to generate more and more of their own income, whilst reducing grant-in-aid has gone too far. National employing bodies that are generating up to 80% of their own income are over-balanced and vulnerable to major crises such as the pandemic. They can, however, be vulnerable to incidents like major terrorist events that lead to a reduction in overseas visitors or even to issues such as a major blockbuster exhibition failing to meet expectations. Furthermore, some ALB’s have faced severe controversy as a result of their links with large corporations involved in fossil fuels. It should also be recognised that sources of philanthropy that have been relied on to replace Government income are now unlikely to be so prevalent. Accordingly, the Government should undertake a review of the funding model for our national institutions to ensure that they can plan properly with the security of core Government funding.
45. We also have concerns that charitable bodies and employing bodies not directly funded by the Department have failed to benefit from Government support. The National Trust, for example, and English Heritage which became a charitable body in 2015 are almost wholly reliant on self-generated funding. They have lost significant amounts of income from lost entry ticket sales and from the loss of income from sales in the cafes and wider hospitality including weddings and other functions. Similarly, many archaeological companies, already working at the financial margins, have had to stop work as the building industry came to a standstill. The loss of income has resulted in lay-offs and caused concern about the future of these organisations. The Government should consider how it can provide stabilisation support to organisations such as these in this current Covid-19 situation and in any disruption due to a second-wave of the pandemic or any future major business disruption.
46. As highlighted in the earlier sections we believe that the Government should review the basis on which it funds and supports the sector. An improved funding and support mechanism must reflect the crucial importance of the sector to all aspects of civic life, from social cohesion to health and wellbeing and from education to economic generation. This review should recognise that the low levels of public funding have contributed to low pay in the sector and that this has had a negative impact on the morale of those who work in the sector as well as restricting the diversity of those who work in it.
47. We believe that the sector can, with the appropriate funding and support, do much to build on the work it is already doing to support disadvantaged sections of the community and to support the formal and informal education process.

Broadcasting, Film, and Production

48. The Bectu sector of Prospect represents thousands of workers across the film and TV industries, working in a variety of skilled roles behind the camera and in post-production. The sector as a whole employs more than 150,000 workers across the UK, a large proportion of whom are freelance workers split between PAYE freelancers, sole traders, and owner/directors of Ltd companies.
49. While some broadcast has continued, for example in News, the majority of the sector has been completely closed for months resulting in substantial losses of income for the workforce who often fall between the gaps in the government's income support schemes.
50. Our survey work throughout the pandemic has demonstrated that this freelance workforce are considering leaving the industry at an alarming rate, with up to half of all freelancers in Film and TV considering this option as a result of their experience in the crisis. The loss of this skilled workforce as well as the ongoing delays to reopening the industry would substantially increase the risk that high end productions bringing significant inward investment to the UK will consider other countries as more favourable locations in the future.
51. In particular we have grave concerns that an industry which already had substantial progress to make on diversity issues will be set back for years as those with the means to do so are able to continue in the sector while those from less advantaged backgrounds are forced out or look for more stable forms of employment in the future.
52. One area of the industry which is yet to feel the full impact of the pandemic is the post-production and VFX sectors which could continue to work through the Spring and early Summer due to the backlog of work already shot. However this work is now dying up leaving the industry facing a barren period in the months ahead with very little work in the pipeline until the production side is reopen. Our main concern here is that the closure of new entrants to the Job Retention Scheme and the tapering of support under the scheme falls at exactly the wrong time for this sector, meaning workers will either be unable to be furloughed or that their employers will have to shoulder sizeable costs in order to retain staff. As a result employers in this area are likely to be shedding hundreds of jobs in the coming weeks.
53. This is a totally avoidable outcome. Government must show flexibility in the extension of the JRS in order to accommodate examples such as this where the one-size-fits-all approach is clearly inadequate to the needs of the economy. Failure to do so will result in a devastating impact on one of the most productive and internationally competitive areas of the UK economy.
54. A further concern here is the implications of fact that the workforce in this sector is multinational, with a high proportion of workers who may be unable to remain in the UK if they are out of work due to the pandemic. DCMS, Treasury and the Home Office must coordinate their approach to ensure that workers in this situation are supported so that skilled workers are not forced to uproot their lives and leave the UK due to the impact of the pandemic.
55. Bectu has been engaged throughout the crisis with employers and government on the issues surrounding return to work in the sector. We have been regular participants in calls organised by the BFI and the Creative Industries Federation, highlighting the

importance of getting the industry back up and running in a way which ensures the safety of all cast and crew members.

56. Bectu was involved in drawing together three important pieces of guidance for returning to work (for Film and High End TV, Post-Production, and Broadcasters) and continue to work closely with employers to ensure that the guidance is followed and staff are kept safe at work.
57. In addition we have produced our own more detailed 90-page guidance document which addresses specific issues faced by members in this industry and allows workers to engage in the back to work process armed with knowledge of best practice in terms of health and safety and rights at work.
58. However concerns about social distancing and health and safety at work are not the only factors preventing a return to normality in the industry. Uncertainty around financing and the issues with insurance similar to those in the theatre and events industries continue to be a barrier to the recovery of film and TV and will do into the future in the absence of government action to provide certainty and assurance to productions.
59. Likewise continuing travel restrictions pose a challenge to productions with portions of filming on location overseas. Some flexibility in the government's quarantine policy will be necessary to enable a return to something approaching normality in this regard.
60. Bectu surveyed workers in film and TV directly ahead of submitting this evidence to ask about their projected income loss for the year and their expected pattern of work over the coming months, the survey had over 1500 response from across the industry.
61. We found that on average, workers expected their income for 2020 to be 42% of their usual expected annual earnings. This figure was as low as 31% for low budget TV dramas, with those working in high end film recording some of the highest expectations at 48% of average earnings.
62. Most worryingly, the pattern emerging from our data is that those who already had the lowest earnings in the industry expect to suffer the greatest loss of earnings as a result of the pandemic. Workers with an average annual income of under £20k expect to make on 31% of the usual earnings, whereas those earning over £50k expect to make around 47%. This probably reflects two trends. The first is the fact that the lower paid workers in the industry are more likely to be PAYE freelancers who have received little or no support from government. The second is that these workers feel less likely to be the priority when productions are restarting work.
63. Perhaps more shocking than the earnings data is the data on expected return to work. We asked workers to rate each of the next twelve months on a scale from 'I expect to have no work' to 'I expect to be working normally/busier than normal'. Currently 73% have no work, this falls to 50% in July and hits 7% in October and November before rising slightly during the quieter Winter months.
64. However the return to normal working is a much slower process. By June 2021, only 53% of workers in these industries expect to be back to normal levels of work. By December this year the figure is a mere 21%. Clearly workers in the industry are not optimistic that there will be a quick recovery, and if the industry really does follow this trajectory there will be many more months of hardship to come and a potentially dramatic hit to the economic activity of this high value sector.
65. At the BBC, Covid-19 has led to a £250m deficit which will have to be closed in addition to other projected savings. Given the scale of recent savings, this can only be achieved by reducing the amount of productions and cutting staffing costs. This week the BBC has launched a voluntary redundancy scheme in order to mitigate against compulsory

redundancies and assist in strategic planning. Already we have seen an impact on regional news and politics shows and the future in this area is uncertain.

66. On silver lining at the BBC is that the pandemic has demonstrated that many roles can be performed effectively from home. We hope this will lead to a positive attitude towards flexible working in the future where appropriate. Of course this may also have implications for the estate in the medium and long term.