

Senedd Cymru / Welsh Parliament

Pwyllgor Diwylliant, y Gymraeg a Chyfathrebu / Culture, Welsh Language and Communications Committee

Ymchwiliad i'r achosion o COVID-19 ac effaith y feirws ar ddiwylliant, y diwydiannau creadigol, treftadaeth, cyfathrebu a chwaraeon / Inquiry into the COVID-19 outbreak and its impact on culture, creative industries, heritage, communications and sport

CWLC COVID-19

Ymateb gan Prospect a Bectu / Response from Prospect & Bectu  
Cymru/Wales



## **Prospect and Bectu Cymru/Wales' evidence to the Welsh Language, Culture and Sports Committee on the impact of COVID-19 on the Welsh Cultural and Creative Sectors**

**Thursday 10<sup>th</sup> September 2020**

### **Introduction**

We are the union for ambition. Prospect represents 150,000 members from across a range of industries & professions within the cultural, creative and heritage sectors & industries being particularly important for the union in Wales.

We have over 6000 members in heritage across the UK with a least 500 of those based in Wales, we are supporting our members in the heritage sector through this current crisis and will continue to lobby for the importance of heritage and culture to the people of Wales.

Bectu merged with Prospect in 2017 and we are the union for creative ambition, we are 1 union with 2 brands. Bectu represents over 46,000 (and growing) creatives working behind the scenes in TV, Film, Digital, Theatre and Live Events in the media and entertainment industries.

Our members across the cultural, creative and heritage sectors work throughout our communities in Wales, in both large and small organisations and contribute to the health, wellbeing and wealth of the nation. As a global industry the creative sector has been amongst the fastest growing sectors in Wales and contributes greatly to how our nation is viewed across the world that has a direct positive impact on other sectors such as travel, tourism and hospitality.

### **Disruption to the sector**

#### **What has been the immediate impact of Covid-19 on the sector?**

Firstly an acknowledgment has to be made of the extra work carried out by the Welsh Government and in particular the hard work of Lord Elis-Thomas MS and the entire department of Culture Sport and Tourism in dealing with the Covid crisis. Their workloads have been extremely high and they have worked in collaboration with the trade unions in trying to best navigate this crisis. Our members have told us though that this has highlighted how under resourced the department is (particularly with



staff being re-assigned to Covid duties) and that though the individuals concerned commitment cannot be questioned we have to ask how seriously the Welsh Government takes culture and heritage? If this jewel of Wales is to be nurtured back to health after this crisis is all over the whole sector must be properly resourced and funded.

Both Amgueddfa Cymru – National Museum Wales (ACNMW) and Llyfrgell Genedlaethol Cymru / National Library of Wales (LIGC) shut down rapidly once Government advice was to restrict public access, asking staff to work from home where possible.

Both institutions have seen a drastic loss of revenue from visitors, currently £400,000 a month for ACNMW. ACNMW and LIGC have constantly increased their revenue from external commercial funding over the last few years and were applauded for doing so. Various projects for raising revenue have been implemented and staff have positively engaged in these endeavours wherever possible. This was in direct response to significant, and sustained, reductions to grant-in-aid support, and throughout these reductions the main collections have remained free to view by the public. This current crisis has though dramatically curtailed these revenue streams and is currently driving a massive fiscal hole through all the financial planning and preparation undertaken by all the heritage institutions in Wales.

Prospect would like to highlight how effective both ACNMW and LIGC have been in implementing the Coronavirus Job Retention Scheme (CJRS) and have furloughed large numbers of staff quickly and effectively and in cooperation with Prospect and the other recognised trade unions. Both institutions have topped up furloughed workers wages to 100% and their quick action will mitigate some of the damage they have experienced and hopefully save jobs. However both institutions have suffered recent significant grant-in-aid reductions: £440,000 for ACNMW and £200,000 for LIGC. On top of that, both institutions have incurred additional unplanned costs of providing equipment for people to work at home and on preparing sites for opening: £75,000 for LIGC, and a combined total of £250,000 for ACNMW's eight sites.

These unexpected costs have really exacerbated the financial issues that both institutions continue to face.

Heritage, cultural and creative sectors have all been disproportionately hit by the pandemic. Like Museums and libraries, Theatres, arts venues and organisations in Wales closed down overnight because of advice to stop the spread of COVID-19. This left venues and workers with literally no source of income in the space of 48

hours. Within days, almost all non-news production activity in film and TV ceased and the industry is only recently beginning to see productions gradually restarting.

The creative sector is unique in that a considerable number of our members are freelance, casual workers and micro enterprises and along with their employed counterparts work throughout our communities in Wales, for both large and small organisations, making them particularly vulnerable at this time, both financially but also in terms of long term job security.

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

It is expected that while restrictions are being lifted and remain under review that numbers in confined spaces will remain restricted for quite some time yet. It is also impossible to predict when and where local lockdowns will be implemented. This level of uncertainty makes it extremely difficult to predict when revenue raising activities will be able to be re-commenced and on what level and for how long. It is likely that the continuation of significant restrictions on gatherings will see limited demand for special events for some time yet and this will seriously reduce a source of income that these institutions have successfully increased over the last few years. There may also be additional costs for the transport of objects/artworks to/from overseas for exhibitions where additional health and safety restrictions may apply.

These institutions form the heart of the heritage industry in Wales and are a major draw for tourism, as a result their financial health is integral to the post Covid recovery in the sector. The wellbeing of staff to the visitor experience is obviously important and after a decade of austerity and underfunding we think that it would be a travesty if they were to bear the brunt of yet more cuts and budgetary under funding, the harm to their wellbeing (and therefore the damage to the visitor experience) would be severe.

Assessing these institutions in economic terms is complicated, however ACNMW's 2018/19 Operational Plan calculated that every £1 invested in it by the Welsh Government generates £4 of additional expenditure in Wales, contributing £83m of Gross Value Added (GVA) to the Welsh economy – the highest GVA of any publicly



funded cultural institution in Wales.<sup>1</sup> This highlights that ACNMW's closure has had significant impact on the Welsh economy.

But most importantly it is clear that the cultural value to the country of both ACNMW and LIGC is incalculable. These institutions are the very essence of the cultural history in Wales and need to remain accessible to all.

Prospect Cymru/Wales strongly believes Welsh Government must now take culture and heritage seriously and make the necessary investment in ACNMW and LIGC; to safeguard the national treasures that they hold, and to ensure that the sector has a sustainable recovery from Covid and one that ensures inclusivity for all sections of society and ensures that everyone in Wales continues to have access to their cultural history.

Bectu, along with our sister unions, is deeply concerned that it will take significant time for many parts of the sector to return including a gradual approach for Screen and a longer term approach for Theatre/Arts and Live Events. The coming weeks, months and even years will be particularly tough as in spite of the funding available redundancies from across the industry are likely to be announced.

### **What lessons can be learnt from how Welsh Government, the UK Government, arms-length bodies and the sector have dealt with Covid-19?**

Prospect welcomed the UK Government's cultural rescue package announced on 5 July. We have strong doubts over whether the share of the £59m allocated to the cultural sector in Wales will significantly mitigate the damage caused by Covid, let alone reverse over a decade of reductions in direct grant-in-aid funding for ACNMW and LIGC. As mentioned above the scale of self-generated income lost on top of any further reduction in grant in aid highlights the failures of the current funding model, how can these institutions provide first class visitor experiences with minimal investment?

Bectu welcomes the Welsh Government and Arts Council of Wales' commitment to the sector via the Cultural Recovery Fund. We are particularly pleased that the Welsh Government has actively engaged with and listened to the unions and others and are providing £7m to support freelancers many of whom have been previously excluded from financial support such as the UK Government's JRS and SEISS and the Welsh Government's ERF. The lack of financial support during what has been

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<sup>1</sup> <https://museum.Wales/media/46522/Operational-Plan-2018-19-FINAL.pdf>

an incredibly difficult time for many workers has created considerable hardship to our freelance members in the sector and we are deeply concerned that many will leave the industry, in particular those from under-represented groups and those who face socio economic disadvantage.

### **How might the sector evolve after Covid-19, and how can Welsh Government support such innovation to deal with future challenges?**

How important is the cultural history of Wales to the Welsh Government? There has been significant underfunding of the sector over the last decade and this has had severe consequences on those institutions and their staff. While accepting that many of these financial restrictions have been imposed on the Welsh Government from Westminster we argue that post Covid this damage needs to be reversed and repaired.

A significant increase in grant in aid to make these institutions less dependent on commercial income now needs to be considered, along with multiyear funding agreements to allow these institutions to plan properly for the long term.

An adequate funding settlement would also allow the institutions to invest in their staff to the same level as those in Welsh Government to move towards the aim of having one public sector in Wales. We also argue for the department of Culture Sport and Tourism being adequately resourced to allow it to enhance the role of heritage in the Covid recovery of Wales.

In the spirit of social Partnership Prospect / Bectu request that Welsh Government should agree a set of clear policies to be included in the new a 'Cultural Contract' with all the institutions concerned and the trade unions to put culture and heritage at the heart of the Covid recovery and commit to adequately funding the sector to ensure its future for the benefit of all the people of Wales.

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