

**Welsh Governments Culture, Communications, Welsh Language, Sport and International Relations
Committee one day inquiry
Creu Cymru Evidence**

The current and long term impact of the COVID-19 pandemic on the arts and creative industries;

We've consulted with our members and wider sector. The road back to re-opening our theatres and arts centres has been extremely challenging. We were one of the last sectors to fully reopening and there are still theatres who do not have the resources to open. We are now facing additional challenges with the introduction of Covid passes covering theatres, cinemas and concert halls. This has added additional costs for venue and seen audiences cancel bookings.

It's really hard to make and create, while balancing health and financial risks.

Normal feels a very, very long way away. We can't get back to what we did as we are still firefighting where we are.

Welsh theatre is far more than entertainment. It is beneficial to mental and physical health; it informs and educates.

Overall, the impact has been immediate and devastating; the medium and long-term consequences see threats to economic, social and cultural wellbeing in communities all over the UK, including:

- With all theatres closed for over 18 months, **box office income and ancillary trading was at zero.**
- Fixed costs remained high during restrictions, including listed building overheads at £70,000 to £100,000 on average per month.
- **Major Risks** towards progressing the goals outlined in the Wellbeing of Future Generations Act 2015 – not least 'A Wales of vibrant culture and thriving Welsh Language', 'A Healthier Wales and 'A Wales of Cohesive Communities'.

It's impacted in numerous ways. The first one is obviously financial – loss of income caused by social distancing, cancelled events, lower turnout from a nervous audience, additional costs to staff and deliver covid mitigations. Being open does not equal a return to pre-covid numbers, it's a complex picture.

Artistically it has impacted on the confidence of companies to tour until they're sure it will be viable or not at risk of cancellation (ie if another lockdown came into play). Differences in rules and regs across the UK creates difficulties for organisations developing UK wide tours.

The people in the sector are brilliant, resilient and agile, but we've also lost people to other industries, as they didn't get sufficient support during lockdowns. The arts is struggling to recruit in key areas, TV and film can outbid us on technical and creative talent, and there isn't enough to go around.

Whilst as a sector we want to pay more, there isn't the money, the only option available to many will be to increase prices to fund staffing to deliver activity – this will directly impact access.

Staff wise theatres and performing companies are struggling to recruit – particularly theatre technicians and for hospitality/catering. This is then heightened when they are losing core staff to isolation. But with finances so tight any additional recruitment has to be considered very carefully. This places a lot of additional load and stress on the core team.

Short term the focus is on staying open on a day by day basis, trouble shooting and dealing with whatever crisis hits – longer term there are questions about financial models if restrictions stay in play. For example as a venue who had worked really hard to be less reliant on core funding (at 18% prior to Covid) and to develop our commercial income –the pandemic obviously had a huge impact and income levels have taken a massive hit.

Whilst many organisations flipped to digital and opened themselves up to more audiences during lockdowns, the majority are now returning to business as usual, so those audiences not yet ready to return to venues (or for whom that was never a reality) are now seeing creative experiences removed, leaving them marginalised. Many are counteracting that by driving forward innovative hybrid theatre models that are inclusive and developed intentionally to engage audiences and artist both in a theatre and digitally from home.

The sector is exhausted, and we must make sure that we aren't collectively burnt out.

We're hugely grateful for the support of the Arts Council of Wales and the Cultural Recovery Fund, as well as the Freelance Fund – without that theatres, performing companies and freelancers would have really struggled.

Our plans for recovery;

Many are taking a cautious and gradual approach to re-opening, guiding by risk assessments and safety of staff teams and participants.

We are beginning to plan, assimilating our lockdown learning in new and exciting projects. We are supporting our members, creating as many opportunities as possible and giving more thought to our relationships with the wider sector and how we can support them more.

We are innovating, not rushing back to what was, but exploring what should be.

It's really hard to take risks at the moment, even saying you are going to open a venue or produce a show feels like walking a tightrope.

The theatres who are open are trying to build things back up again slowly, bringing audiences with them and getting them used to coming back to the venue and feeling safe there. Dealing with the requirements of local authorities and any other governing bodies such as Universities for risk assessment mitigations which, in some areas, are very strict, has been challenging, but we appreciate why it's there and venues have worked with them to develop plans. It's hard to predict, it's hard to plan but we're constantly adapting.

Any current and future impact arising from Brexit on the arts and creative industries;

Touring post-Brexit is no doubt proving to be a challenge. Paperwork for Carnets (export documents) takes time.

Venues and festivals planning to invite European artists to Wales to perform, are yet to see how the UK process will impact how attractive that work is, depending on the countries from which artists will be travelling. As many of the theatres and companies are small / mid-scale the resource required to research and understand processes is challenging, before they even get to starting the processes themselves. Small performing arts companies and venues run incredibly leanly, additional administrative burdens may yet prove unachievable – exacerbated by the challenges of working to ever changing Covid guidance (overseas as well as in UK).

There are obvious financial implications of theatres and performing companies with cost rises including inflation rises mean additional costs for food and drink for example.

Recruitment of hospitality staff (many traditionally employed a lot of EU individuals, often linked to student intake), unreliable supply delivery, the future is uncertain. For example, Aberystwyth Arts Centre had planned to buy an outdoor stage this year, but were forced to hire as there was a delay in delivery of aluminium to build it. The funding was just for 2021, so that opportunity to invest has gone.

The food and drink supplies are unreliable, which when dealing with a large catered event with a fixed menu can cause issues.

Our priorities for the Committee and the Welsh Government during the Sixth Senedd

We would like to see the Committee monitor of how the Cultural Strategy is developed and making sure key communities are consulted as part of the process. This includes, theatres, producing companies, freelancers, participants, communities and audiences.

We would like to see an increased understanding of the arts and cultural sector, and interest in the variety within, it can be easy to only see the big companies and their work, but often the most significant changes are created by smaller theatres and companies, with their communities. We would like emphasis to be placed on an inclusive recovery, where, rather than a rush to re-build what was, a refreshed sector built on equity, access, inclusion and mutual respect can flourish. It would also be valuable to explore how the arts intersects with other areas of society, they don't exist in a bubble – where are the arts supporting other agendas, social care, health and well-being, loneliness.

We would categorically support conversations with the Committee and Welsh Government in terms of setting out long term policy and direction. Creu Cymru members represent virtually all of the nation's professionally run venues, performing companies and individuals, at a diverse range of scales. We can provide the Committee with a unique insight into the performing arts scene in Wales and work together to ensure the arts sector is one that is sustainable, inclusive and accessible.

Our priorities for the forthcoming Welsh Government Draft Budget 2022-23.

Sustainable and equitable funding for the arts and creative industries, that focuses on impact, engaging and innovation.

An acknowledgement of the financial impact of the performing arts and what they bring to Wales, and that it is a sector that pays back investment many times over.

We would like the budgets to reflect that things are not back to normal. As a sector we have worked with and supported all the mitigations requested of us – but it's had a big impact, and continues to do so. Things are not bouncing back quickly, and with Covid passes in place now, it feels like we could be affected for some time yet. To enable theatres and arts organisations to continue to provide a service to the communities of Wales that is fair and equal, and in order for us to continue the vital work of For the Benefit of All, and delivering our Cultural Contracts, we may need additional support to help bridge this period of uncertainty. The Arts can do so much to help communities recover and move forward from the trials of the last 18 months, and we would hope to see the Arts Council of Wales and the wider sector being supported by Welsh Government and working in partnership together.

NOTES

- The creative industries is one of the fastest growing sectors, with an annual turnover of over £1.9 billion. It employs over 58,000 people, 52% more than ten years ago. Whilst a large percentage of this is within the media industry, performing arts is a major part of this and Wales' global competitiveness in Film and TV is threatened as a result of the absence of talent and script development that theatre provides.
- In Wales, 75% of people attend or participate in arts culture or heritage activities three or more times a year.
- According to the Audience Finder Ticketing Data report 18/19, theatres and arts centres in Wales received £34,875,258 total ticket income
- In the same report it noted 3,101,588 attendees to performing arts activity (not including popular music / rock concerts and cinema).