

From: Dilwyn Davies
Sent: 12 November 2021 08:24
To: Jewell, Delyth (Aelod o'r Senedd | Member of the Senedd)

Annwyl Delyth,

I am writing to you following advice from my MS Elin Jones on a matter that affects a wider group of arts venues in Wales than those located in Elin's constituency of Ceredigion. Together with colleagues listed below and on copy for information, we wrote to the members of the Senior Management Team of Arts Council of Wales on 14 October highlighting the precarious and uncertain position many arts venues (particularly but not exclusively independents) in Wales are currently facing following the end on 30 September of the Cultural Recovery Fund 2 and furlough. The letter below is self-explanatory so I won't repeat the key points within it, but I would add that with the introduction of the COVID pass for theatres and cinemas on 15th November and its likely negative impact on audience access and attendance, our situation will become even more precarious. To be clear, I, for one, am certainly not arguing against comprehensive safety measures, and many of us are already exceeding Welsh Government guidelines around COVID to keep our audiences and communities as safe as possible, and to encourage them to attend cultural events with confidence. However both short and long term contingency planning for our business support and recovery have now become extremely urgent and essential issues that need addressing.

We have not yet received any concrete response from ACW, other than a note to say they are aware of the issues and are talking to Welsh Government. Elin Jones MS has also written to the Deputy Minister directly, and has received a response that notes awareness, noted below.

Elin has now suggested I write to you directly on our joint behalf as Chair of the Culture Committee of the Senedd for further discussion and possible representation with the Minister.

Diolch am eich amser, cofion gorau,

Dilwyn

on behalf of Dafydd Rhys (Aberystwyth Arts Centre), Andy Eagle (Chapter Arts Centre), Ben Lloyd (Torch Theatre), Dilwyn Davies (Mwldan), Jill Mustafa (Wyeside Arts Centre), Gwyn Roberts (Galeri)

Dilwyn Davies

Prif Weithredwr | Chief Executive

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From: Dilwyn Davies
Date: Thu, 14 Oct 2021 at 13:03
Subject: Financially vulnerable arts venues in Wales

To: Richard Nicholls , Diane Hebb

Cc: Dafydd Gwyn Rhys [dgr1] , Andy Eagle , Ben Lloyd , Jill Mustafa , Amanda Loosemore

TO: ACW Richard Nicholls, Diane Hebb, Rebecca Nelson

FROM: Dafydd Rhys (Aberystwyth Arts Centre), Andy Eagle (Chapter Arts Centre), Ben Lloyd (Torch Theatre), Dilwyn Davies (Mwldan), Jill Mustafa (Wyeside Arts Centre), Gwyn Roberts (Galeri)

Dear Richard, Diane and Rebecca,

We are writing to you to express our grave concerns at the financially vulnerable situation many venues in Wales are finding themselves in as their artistic activity resumes this Autumn. We know you are aware that venues have lost huge amounts of income during the pandemic, and building back a business recovery that is financially sustainable is a huge task that will take many months, if not years. Ironically those organisations who are most vulnerable and facing the greatest challenges are those organisations, primarily but not exclusively in the independent venue sector, who had, pre-pandemic, developed diversified, innovative, entrepreneurial business models based on high levels of earned income relative to public investment. This strategy has been encouraged for many years and has been applauded for maximising the impact of public investment in the arts.

We represent a small cross-section of such venues. We are portfolio clients and non-portfolio clients, independents but also a university venue, we are of differing scales, rural and urban, and all have diversified income streams, including in-house producing, national and international touring, extensive outreach and participatory programmes, cinema and live performance, recorded releasing and artist management. We are members and non-members of Creu Cymru and representative of a wider national picture.

Obviously, the Government support given to us throughout the pandemic via two rounds of CRF and furlough has been vital to keeping us all afloat as cultural organisations, and we are certainly not expressing anything other than huge gratitude and recognition for this exceptional support of the cultural sector.

But now, we find ourselves off the edge of a cliff as of 1st October, with no further support available for what is now the most crucial part of the pandemic journey – meaningful economic recovery for our businesses and security for the employment of our staff teams whose experience, stability and commitment are critical to our survival. Despite many voices highlighting these vital issues, we have had no meaningful response from Welsh Government or Arts Council of Wales.

As organisations, we have built businesses that, aside from our artistic output, have been completely focused on the responsibility of entrepreneurship, business diversification and economic sustainability over the years in order to maximise the impact of the public money invested in us.

We are now balancing the imperative of economic recovery alongside job protection and our vital health and safety obligations to protect our audiences from COVID-19 transmission. To encourage audiences to return to our venues, we must take a long term view and provide them with safe and secure environments to boost community confidence whilst also ensuring our businesses can survive financially.

The dilemmas are multiple. If we dispense with social distancing to focus on immediate financial priorities then we neglect our responsibilities to provide for and include the most vulnerable in society. If we maintain and encourage social distancing we might generate wider community confidence but we will also operate at an unsustainable loss in the short to medium term. We are aware that the public mood in Wales is, thankfully, far more cautious than in England, and perhaps even more cautious in rural areas. One of our venues is reporting evidence that only 14% of returning customers are comfortable with no social distancing in place at indoor events, based on post-attendance surveys for socially distanced cinema screenings.

The tension between safety, care, inclusion, encouraging audience confidence and reattending, and the financial imperative of generating profitable income is tangible. Add to that staff members of operational teams having to self-isolate as a result of close contact to protect others they work with and serve, and we have an extremely challenging and fragile operating environment.

In addition, we have all lost vital staff members during the past months, through necessary redundancy, concern at the uncertain future offered by our sector, or better opportunities elsewhere. Recruitment is currently very challenging. Some of us are now only able to offer what staff we have still employed the insecurity of ongoing zero hours contracts because we cannot guarantee we will be able to pay them under normal contracted terms.

What is urgently needed is a swift and targeted response to support the recovery of key vulnerable businesses in our sector in Wales. They should be easy to identify. Rather than a blanket grant handout, perhaps a more useful response would be the provision of a safety net and additional guaranteed support if and when needed to secure staff resources, allowing us to sustainably build our businesses back with confidence and security over a period of months, and to enable us to weather the uncertainty and challenges of the recovery.

We have been raising these issues with Arts Council of Wales, and to Welsh and UK Governments through our local MS and MPs. A letter from Dawn Bowden AS/MS, Deputy Minister for Arts and Sport dated 14 September 2021, sent in reply to Elin Jones AS/MS, states "I was concerned to read about the current circumstances outlined in your letter. This has been a particularly difficult period for the arts sector in Wales. The Welsh Government is in the process of exploring the options for future support and we will consider the need based on engagement and feedback from stakeholders."

Considering the significant and very welcome financial support given to our specific sector thus far, it seems all the more vital to find a way to intelligently and flexibly support business recovery through the coming months and years. It is impossible to switch overnight to an immediately economically sustainable business model without some kind of tapered safety net aimed at providing vital continued support to enable long term recovery.

With best wishes,

Dafydd, Jill, Andy, Ben, Gwyn and Dilwyn

Dilwyn Davies

Prif Weithredwr | Chief Executive