

Manchester City Council Report for Information

Report to: Communities and Equalities Scrutiny Committee – 11 March 2021

Subject: Support for the culture sector in response to the impact of the COVID-19 pandemic

Report of: Strategic Director (Neighbourhoods)

Summary

The report provides an overview of the impact of COVID-19 on the city's cultural sector; outlines access to local and national financial support for the sector; and describes the role the Council has played, with partners, in supporting the sector.

The cultural sector faces unprecedented challenges as one of the last industries able to reopen on a financially viable basis. It is also an industry reliant on a highly-skilled, flexible but vulnerable freelance workforce that has been severely impacted by a loss of business. The cultural offer is an intrinsic part of the city centre economy and is fundamental to the wider social and economic recovery of the city.

A Manchester Culture Recovery Plan has been developed by the city's Director of Culture with a wide range of partners and stakeholders, and a COVID-19 Culture Recovery Board has been established to lead the city's response to the pandemic and aid the sector's recovery.

Cultural partners have responded creatively to the crisis with many seeking new and digital solutions to engaging audiences and participants. There have been campaigns to reach out to residents and visitors to connect them to the available offer and promote the reopening of some of the city's key institutions in recent weeks.

There are a number of initiatives to assist businesses, support freelancers and deliver reopening strategies at a local and national level. Emergency assistance was made available by Arts Council England and the Government has put in place a Culture Sector Recovery Fund for England. However, there is evidence that the current level and means of support available will be insufficient to sustain the sector for the duration of the continued period of business disruption, and that additional support will be needed to stimulate a recovery. In response to the extended nature of disruption relating to COVID-19, a review process is underway towards a revised Manchester Culture Recovery Plan.

Recommendations

The Committee is invited to consider and comment on the information provided in this report.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Cultural organisations in the city lead the way in their response to the climate crisis. Through the Manchester Arts Sustainability Team, partners have established Carbon Literacy Training for the cultural sector. In addition to the carbon reduction programmes at individual organisations, cultural partners are working together on projects to reduce carbon emissions and engage audiences on climate change.

Our Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The city's cultural offer is an intrinsic part of the economic and social life of Manchester and is interconnected with the hospitality sector and night-time and visitor economies. The sector is under huge threat because of COVID-19. The Manchester Culture Recovery Plan sets out a strategy for the stabilisation and stimulation of the cultural sector so that it can play an active role in the city's economic recovery and emerge from the financial impact of the crisis.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	The cultural and creative industries sector employs a wide variety of staff, freelancers, and creative practitioners. The strength of Manchester's highly skilled talent pool is a key feature in the city's attractiveness for inward investors and the report highlights a raft of projects and programmes that nurture the talent and skills of the city's residents, provide pathways into the sector and access to employment.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The Culture Recovery Plan identifies the need for the sector to recover and support inclusive growth. The cultural sector delivers entry-level jobs and levels up educational achievement for residents.
A liveable and low carbon city: a destination of choice to live, visit, work	Manchester has a world-leading cultural offer for residents and visitors to access. It adds to the vibrancy of the city centre providing key visitors attractions which engage local people and connect to the city's schools and education offer. It brings neighbourhoods together in mutual understanding. It proudly showcases the diversity in our communities.

A connected city: world class infrastructure and connectivity to drive growth	Culture plays a vital role in making Manchester an internationally regarded city, supporting our visitor economy.
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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

Economic Recovery of the City's Cultural Sector, Economy Scrutiny Committee (October 2020)

Powering Recovery: Manchester's Economic Recovery and Investment Plan

1.0 Introduction

- 1.1 The cultural sector was the first to lockdown in March 2020 and will be the last to be fully released. Cultural venues in the performing arts have been severely impacted, as well as those that typically generate high levels of earned income from customers through events, festivals and catering and hospitality sales.
- 1.2 Whilst social distancing requirements continue to be in place, the restrictions will make the re-opening of many cultural venues, activities and events unviable and severely impact the opportunity to generate income from customers well into 2021, if not beyond.
- 1.3 We anticipate that the vast majority of the earned income generated by cultural organisations under normal operating conditions will have been lost in 2020/21. The Council's 2019/20 Cultural Impact Survey showed that the pre-pandemic level of earned income was £34,682,662 across the 47 organisations who submitted a response.
- 1.4 The sector has benefitted from Government support for businesses, including funding delivered via the Council such as business grants. There have been several sector-led and local initiatives that have helped to sustain cultural businesses and enable companies and artists to deliver creative activities during lockdown.
- 1.5 Arts Council England (ACE) and other sector agencies diverted funds to provide emergency support for cultural businesses. In July 2020, the Government announced the Culture Recovery Fund (CRF) - a £1.57 billion package of support to protect cultural, arts and heritage institutions in 2020/21. A further remaining tranche of CRF funding is due to be awarded by ACE in March 2021. Whilst we hope a number of Manchester based organisations successfully apply for this support, many companies will be in an extremely difficult financial position this year, especially from April 2021 onwards.
- 1.6 The Manchester Culture Recovery Plan was launched by the Executive Member for Skills, Culture & Leisure in July 2020 (see Appendix 1). The needs of the sector and the role that the culture offer should play in the city's wider recovery are reflected in Powering Recovery: Manchester's Economic Recovery and Investment Plan (published November 2020).
- 1.7 The Director of Culture has started the process to refresh the Culture Plan, to provide a vision and strategy for the sector in the face of the continued impact of COVID-19. The refreshed plan will factor in the Government's recently published Road Map and additional financial support measures announced by the Chancellor in the spring budget.
- 1.8 The Council's virtual 'Culture Team' brings together officers in the City Policy and Libraries, Galleries and Culture Teams. Under the leadership of the Director of Culture, the team has provided a range of support to Manchester-based organisations and freelancers with the aim of putting Manchester's cultural sector in the best possible position to recover.

2.0 Impact of COVID-19 on the cultural sector

- 2.1 Whilst national and local lockdowns persist and social distancing requirements continue, COVID-19 restrictions continue to cause severe challenges. Restrictions either prevented the re-opening of the sector or have made a return to operation unviable. During summer 2020, restrictions nationally were gradually unlocked but Greater Manchester entered Tier 3 in October 2020, followed by the second and third national lockdowns; these have compounded the sector's challenges and losses in the city.
- 2.2 The continued lockdown and phased reopening programme announced by the Prime Minister on 22 February 2021 will continue to severely impact the ability of the sector to return to normal and generate income from customers well into 2021. For the most part, the business models of arts and cultural organisations are built around mass gatherings and these are likely to be subject to social distancing measures for some time to come.
- 2.3 The Government's Culture Recovery Fund and other measures have provided welcome support, but the indications are that some organisations will not survive the crisis as it continues into 2021 without further Government support into 2021/22. Many others will need substantial restructuring, imposing fundamental changes to what they do and how they do it. The ecology of freelance artists and creatives, which is vital to the creative health of our city, is severely damaged.
- 2.4 These factors will clearly reduce the sector's ability to support the recovery of our communities and the economy, especially the city centre. The impact will reach beyond arts and culture into the wider creative industries, which has a symbiotic relationship with the creative ecology through a combination of shared people with portfolio careers, supply chain factors and the cross-fertilisation of ideas and content.

3.0 Cultural Impact Survey Data

- 3.1 The Council's Cultural Impact Survey collects data each year on the economic and social impact of cultural organisations. It is open to all cultural partners in the city, and compulsory for those funded by the Council as part of annual monitoring. The Cultural Impact Survey enables the Council and partners to:
 - Understand the city's cultural sector in terms of economic impact and social value
 - Demonstrate progress towards the Our Manchester Strategy and Cultural Ambition
 - Advocate for arts and culture and the Council's continued investment
 - Understand patterns of Manchester resident engagement in arts and culture and identify any gaps or weaknesses
 - Create a resource for the Council and cultural organisations which supports business planning and funding applications

- 3.2 The 2019/20 Cultural Impact Survey will be a particularly important tool in understanding the impacts of the pandemic on the city’s cultural sector; a presentation on the findings will be provided at this meeting.
- 3.3 For the purposes of this report, it is important to highlight the data on organisational income. The 2019/20 survey illustrates the pre-pandemic levels of activity and business income generated by the city’s cultural sector. Whilst those responding to the survey represent a focused section of the cultural economy and businesses in receipt of public sector support, it provides a helpful view of the revenue streams for the cultural sector from which a likely impact of COVID-19 can be forecasted.

The 47 organisations participating in the survey reported the following income:

£18,510,519	Manchester City Council investment (includes grants, contracts, Manchester Art Gallery and Manchester Libraries)
£38,296,528	Other public sector grants (including Arts Council England)
£12,503,791	Private sector income (includes philanthropy, donations and sponsorship)
£34,682,662	Earned income (includes retail, catering, venue hire and contracts for services)
£102,693,500	Total combined income

(N.B. The Culture Team manages a record of and regularly communicates with 140 cultural organisations in Manchester)

- 3.4 During the 2020/21 financial year, cultural organisations have been closed or unable to operate normal business for much of the year. As such, very little earned income will have been generated, which will have put the £34,682,662 reported in the previous year directly at risk.

4.0 Loss of earned income and diversion of public funds

- 4.1 In recent years, there has been an emphasis on encouraging cultural organisations to build a range and diversity of income streams to reduce their reliance on public sector funding and to increase their financial resilience. However, it has been the companies that have been most successful in these endeavours that have been disproportionately impacted though the loss of their earned income during COVID-19. Organisations have also reported lost sponsorship from private companies, who are themselves managing the impacts of the pandemic.
- 4.2 There has also been a reallocation of public sector and philanthropic funding available. Whilst core funding such as the ACE’s National Portfolio (NPO) and the Council’s Strategic Cultural Investments and Cultural Partnership Grants have continued unchanged, other funding streams (across a range of public bodies and trusts and foundations) for projects and capital programmes have been paused, with funds diverted to emergency support measures. Smaller companies that rely more heavily on project funding, with cost-recovery models to cover their fixed premises and staff costs, have been particularly adversely impacted.

5.0 Culture during local lockdown

- 5.1 At the start of lockdown, companies were forced to postpone or cancel exhibitions, events and project plans. Most cultural partners reacted quickly to the challenge of the suspension of face-to-face activity by seeking alternative ways to deliver their programmes online or in different ways. Alternative COVID-secure projects and special initiatives during lockdown have demonstrated some creative approaches to maintaining relationships with audiences, participants and artists.
- 5.2 Some partners showcased performances through digital channels, including through the GMCA-supported United We Stream initiative, such as the Manchester Jazz Festival's 'Jazz Unlocked' in May, or through their own new and direct platforms, including the Manchester Histories Festival 'DigitFest' in September and Manchester Literature Festival in October 2020.
- 5.3 Many cultural organisations continued to engage participants groups during the pandemic. For instance, The Men's Room stepped in to support homeless people by staffing the emergency accommodation put in place, and other companies provided creative activity packs for vulnerable people who were required to isolate and shield.
- 5.4 Further examples include:
 - In spring and summer 2020, Company Chameleon took #TheSaturdaySessions, their dance classes for young people in Openshaw and Manchester, online, creating unique sessions for young people aged 4-16 years to continue their engagement in regular dance activity. When restrictions relaxed in autumn, the annual recruitment for Company Chameleon's youth dance company went ahead. Despite the challenges, they received the highest number of applications since the youth company launched and following a successful audition, 35 young people aged 11-21 years joined as this year's Chameleon Youth Junior and Senior cohorts.
 - Buddyline is a project that Reform Radio have delivered twice during lockdown and are currently delivering for a third time. Reform Radio's young people cohorts are buddied up with older people who are participants of Reform Radio's sister station, Sonder Radio, which supports adults over the age of 50. The "buddies" have one phone call a week where they can talk to each other about whatever they feel like. This project aims to reduce the feeling of isolation brought on by COVID-19 and the resulting lockdowns but also to give the participants the opportunity to create a weekly routine, learn digital skills and build confidence.
 - In March 2020 as Venture Arts had to close its doors, the team immediately contacted all its learning-disabled artists that attend regular activity at the arts centre. Venture Arts found out who could access the internet at home and set up regular Zoom sessions with them. They fundraised for new Wi-fi-enabled iPads to give to others and delivered or

posted art materials to people's homes. Before long they were reaching 95% of their participants, and delivering over 150 individual, online art sessions per week. Venture Arts have been creating social opportunities too, where their artists can get together on Zoom for discos, singalongs, footy club and more.

- HOME's 'HOME Soon' panel was created in the run up to the September reopening, to ensure that a diverse group of voices had the opportunity to feed ideas into HOME's strategic plan. Made up of eight people who represent and have experience of working with people severely affected by COVID-19, the panel was a mixture of staff, volunteers and artists. The panel ensured that HOME's reopening campaign and programme was fully accessible and reflected the diversity of audiences. Its success changed the way HOME operates – they will be bringing together a similar panel, HOME Futures, to help ensure these voices continue to be heard as they develop the company's strategic plan for the next few years.

- 5.5 Additional case studies showing examples of some of the creative activities cultural sector organisations have delivered during the pandemic are also featured in the Economic Recovery of the City's Cultural Sector, Economy Scrutiny Committee (October 2020).
- 5.6 The Manchester Culture Awards were introduced in 2018 by Executive Member for Skills, Culture & Leisure with the aim to celebrate and profile arts and cultural activity in Manchester. Unfortunately, the third Culture Awards due to take place in November 2020 could not go ahead. As cultural organisations were facing such uncertainties when the launch would have taken place and it was not known what position organisations would be operating in later in the year it was decided that a celebratory awards event might not be appropriate.
- 5.7 As we begin to follow the Government's new recovery roadmap, there is more confidence about holding the Manchester Culture Awards in some form this year. Planning is underway for a launch for nominations in June 2021 against categories that will highlight the artistic achievements and reputation of arts and culture in the city, with a focus on the sector's positive contributions across the city's agendas; economic, social, education and health impacts, as well as resilience and response during the pandemic. The event will provide an opportunity for partners to come together and share much-needed moment of reflection, celebration, and inspiration following an unprecedentedly challenging year.

6.0 Reopening and closures during COVID-19

- 6.1 The Cultural Leaders' Group, chaired by the Director of Culture, has created three subgroups to jointly develop reopening strategies: a Museums and Galleries group, a Performing Venues group, and a team looking at the safe return of Participatory Cultural Activities. The groups have consulted with national industry bodies to review Government guidance.

- 6.2 The first organisations to fully or partially reopen as restrictions were lifted were museums, galleries and heritage attractions from July 2020. The National Football Museum, Manchester Art Gallery, Science and Industry Museum, the Whitworth and Manchester Museum all reopened in July - September to provide well-managed, socially distanced attractions. Cinema and outdoor performances were also allowed to resume activity from July 2020 but many cinemas found it difficult operating below capacity and encountered issues around the international release schedules for films that had been disrupted.
- 6.3 Some cultural organisations also started to open operationally to small groups of participants - such as Z-arts and Contact - and others started to open their retail, catering, hospitality and wedding operations - including Hallé St Peters, Night & Day and Elizabeth Gaskell's House, to provide valuable income or to support their commercial tenants.
- 6.4 Performing arts venues and small independent music venues were permitted to reopen from 11 July 2020. However, for many it was not possible to do so in a way that is compliant with Government guidelines on physical distancing in enclosed spaces, whilst also being financially viable. Local lockdown measures in Greater Manchester limiting the meeting of mixed households compounded the issue in the city for the sector. Nightclubs - a vital part of the music ecology and night-time economy in the city centre - have been required to remain closed nationally throughout the entire period.
- 6.5 Venues need to work with complex requirements to ensure that performers are safe, which impacts on actors, musicians, orchestras, ensembles and choirs. Social distancing requirements, the nature of particular buildings, the lack of facilities and the physical restrictions they impose (e.g. audience capacity, fixed seats, lack of circulation space and toilets, lack of outdoor space) or because opening is not financially viable are all reasons that for many organisations they have not been able to resume their activities.
- 6.6 Just as some theatres were planning to launch live performances or had completed pre-production and rehearsals for Christmas shows, Greater Manchester entered Tier 3 on 23 October 2020. Then from 4 November, further lockdown measures specified that cultural venues, including museums and galleries, were no longer permitted to open.
- 6.7 Festivals have also been adversely impacted. Companies with a seasonal events or programmes have lost significant if not their entire commercial income for the year. Venues that are reliant heavily on Christmas productions and those that had prepared and invested in autumn and winter seasons that could not run have lost significant revenues having taken the difficult decision and financial risk to reopen.

7.0 Impact of Government support for businesses

- 7.1 Access to mainstream Government funding for businesses has made a considerable contribution to the sector. Business grant and rate relief

programmes have been of benefit to eligible businesses. Unfortunately, registered charities were out of scope for Small Business Rate Relief and the associated Small Business Grants scheme, but the extension of Retail Rate Relief to the hospitality and leisure sector has benefited public venue operators. Small premises and those with a low rateable value were able to access a Retail Hospitality and Leisure Grants, but for most mid and larger scale premises, their rateable values were too high to attract the grant.

- 7.2 Officers in the Culture Team identified almost 100 small cultural businesses and micro enterprises that were unable to access the Government's COVID-19 business grants and worked with the Work and Skills team to encourage applications to the Discretionary Grant programme which was available in the summer to businesses that were ineligible for the grant schemes above.
- 7.3 The Government's various iterations of the Local Restrictions Support Grant and Additional Restrictions Grant schemes have provided scope for Local Authorities to make further discretionary awards to businesses. Officers are supporting new and future opportunities for businesses across the cultural and creative industries sector to apply for support, especially where it can help to retain and protect the infrastructure of public facing venues whilst they remain dormant for months to come.
- 7.4 In February 2021 two new schemes were launched by the Council which focus support on the cultural sector. An Expanded Additional Restrictions Grants scheme is currently open and includes a focus on supporting the Tourism and Cultural Sectors and Airport Supply Chain. A further Expanded Additional Grants scheme focussing on Strategically Important Cultural, Entertainment or Convention Facilities in the city is currently under development.
- 7.5 One major cultural organisation has reported use of a government backed loan. The Coronavirus Business Interruption Loan Scheme and Bounce-back loans are available to the sector, but many have fears about their ability to repay the loans available.
- 7.6 The Job Retention Scheme and its extensions continue to be a welcome and vital form of support. Cultural organisations have been furloughing staff where possible, retaining cores staff teams with the flexibility to bring people in and out of furlough to maintain the business and its activities. The 3 March 2021 Budget confirmed that the scheme will be extended until September 2021.
- 7.7 Coronavirus Self-Employment Income Support Scheme (SEISS) provides assistance to established freelancers and, subject to further announcements, will continue up to the end of April 2021. As has been widely reported, the eligibility criteria exclude many freelancers and the criteria seem to particularly adversely impact freelancers in the cultural and creative industries sector, especially new entrants to the industry. There may be a significant impact on talent retention.
- 7.8 ACE and the National Lottery Heritage Fund both responded very quickly to the crisis. They repurposed existing grants programmes to provide COVID-19

emergency funding measures designed to ensure companies stay solvent and survive the initial months of the crisis. ACE also announced that its NPO funding programmes will be extended from four to five years, which was widely seen as a helpful move. ACE also announced some targeted support for creative practitioners and has grant-aided several industry bodies to distribute funds, including Help Musicians UK and Outdoor Arts UK.

7.9 The most targeted form of government support for the sector has been delivered through the Culture Recovery Fund, a £1.57 billion package of support to protect cultural, arts and heritage institutions. Arts Council England, National Lottery Heritage Fund and Historic England and others have been distributing grant and loan support on behalf of the government. Cultural organisations in Manchester appear to have performed well in achieving successful applications but the process and criteria have prevented some smaller organisations and commercial companies less familiar with public funding processes, from being able to access support. Results of the latest round of funding from the programme will be announced in March 2021.

8.0 Impact on the workforce

8.1 Freelancers make up a significant proportion of the cultural sector's workforce and supply chain. The Council's 2019/20 Cultural Impact Data Survey (with 47 organisations participating) reported a total number of 2,022 employees at cultural organisations, across 1,220 full-time equivalent (FTE) roles. The responding organisations also contracted a total of 3,421 individual freelancers. Across the wider creative industries sector, the freelance rate compared to permanent staff is even higher, with over 80% reported amongst film and broadcast industries.

8.2 This community of workers is a crucial feature of the sector; having a flexible and skilled talent base in the city is one of the reasons Manchester has been able to grow its cultural offer and attract creative and digital sector growth. Whilst freelancers are possibly the most vulnerable part of the workforce, they are also the most valuable in terms of the creation of artistic work.

8.3 Whilst the Job Retention Scheme has been an opportunity for many companies to furlough staff to reduce their business costs, there were early waves of redundancies with those on casual and zero-hours contracts being let go first. When the less generous Job Support Scheme was announced in September 2020, it was of most benefit those companies able to return, at least in part, to operations. This change in Government support prompted a further wave of redundancies in the autumn. Despite the later reintroduction of the Job Retention Scheme, companies that has started redundancy procedures felt given the ongoing duration of the disruption, and continued uncertainty about the Chancellor's commitment to furlough funding, that they needed to make longer term decision about their staffing requirements.

8.4 The Centre for Cultural Value research on the impacts of COVID-19 has recently highlighted concerns about younger workers. The research shows that more than a quarter (27%) of creative workers under the age of 25 left

creative occupations after lockdown, compared with 14% of workers aged 25 and over. Whilst there is an expectation that the under 25s have a relatively high turnover in and out of the creative industries, this is usually around 15%.

- 8.5 The Factory Academy has launched a creative industries sector-wide alliance to take forward research, strategies and programmes to meet the skills needs of the sector and to work with sector skills agencies to deliver the Government's Kickstart Scheme. With the current lack of operational and commercial activity in the sector, the full benefits of this scheme will be realised once restrictions ease and business confidence returns.

9.0 Other local support for the sector

- 9.1 MIF Artist and Freelance Creative Drop-In has been hosting free regular drop-in sessions on Zoom where artists and creatives across all artforms can come together to share experiences and ideas during lockdown. The sessions were initially run daily and are currently weekly hosted by different leading creative practitioners across creative disciplines.
- 9.2 The GM Artists Hub project has been backed by Community Arts Northwest, Contact, hÅb + Word of Warning, HOME, Manchester International Festival, Octagon Theatre Bolton, Oldham Coliseum Theatre, Royal Exchange Theatre, SICK! Festival, Sustained Theatre Up North, The Lowry, Waterside Arts & Creative Industries Trafford and Z-arts. Leading arts professionals from these companies are providing regular one-to-one advisory sessions to artists from across all artforms.
- 9.3 Following consultation with artists, a group of cultural partners, under the leadership of the Artistic Director and CEO of Manchester International Festival, have pooled resources to initiate a programme of commissioned work from Manchester and Greater Manchester artists over the spring and summer, generating employment and contributing to re-invigoration of Manchester's creative scene.
- 9.4 United We Stream is a new Greater Manchester online broadcast platform established by GMCA during the lockdown period to provide a way of promoting live music and performances from the city to audiences locally and further afield. Events on the platform are free to view but audiences are invited to make donations. Funds raised through donations have supported a relief fund for night-time economy businesses, the Mayor of Greater Manchester's Charity and Nordoff Robbins Music Therapy Charity.

10.0 Manchester Culture Recovery Plan

- 10.1 The Manchester Culture Recovery Plan looks optimistically towards 2021 and provides a flexible and practical strategy towards getting Manchester's cultural offer back in business.
- 10.2 2021 is a Manchester International Festival year; planning is underway amongst partners to focus on a high-profile spring and summer citywide

programme with promotional campaigns. Naturally given continued impact of COVID-19, organisers of MIF21 and other events coming up in 2021 have been putting contingency arrangements and alternative plans in place to be able to pivot as best as possible if necessary.

- 10.3 The Culture Recovery Plan sets out the case to request a £72m investment strategy to meet the business stabilisation needs of the sector (business retention) and the support needed to stimulate the reopening process and contribute to the city's overall economic recovery:

Stabilisation - A proposed package of financial assistance over two years totalling £35.9m needed to secure the cultural infrastructure in the city, to support organisations and venues:	
£20.7m in 2020/21 * (£18.04m achieved)	£15.2m in 2021/22
Stimulus - Place-based two-year stimulus proposal totalling £31.1m designed to re-start the cultural economy and enable the sector to play a central role in rebuilding the citywide economy:	
£13.9m in 2020/21	£17.2m in 2021/22

- 10.4 The Director of Culture is leading a refresh of the Plan reflecting the extended duration of COVID-19 and lasting impact on the sector. Because of the devastating health implications of the pandemic, the next iteration of the plan will focus on the role of the sector in supporting the health recovery of the city, as well as the economic recovery. The new document will include the recently announced Government Roadmap and financial support measures announced by the Chancellor in the March 2021 budget.

11.0 Manchester's Economic Recovery and Investment Plan - Phoenix Fund

- 11.1 As part of the needs identified within the Culture Recovery Plan, a proposal for £6m of cultural investment has been set-out within *Powering Recovery: Manchester's Economic Recovery and Investment Plan*. The proposal (which is part stabilisation and part stimulus) recognises that it is important that sufficient funds are made available for Manchester-based institutions and venues. Cultural venues need to play a role in bringing people back to the city centre, and reinvigorating Manchester's visitor, daytime and evening economy in 2021.

- 11.2 The proposed Phoenix Fund also features a request for investment to retrain or upskill key parts of the arts and cultural workforce where skills are in danger of being permanently lost.

12.0 The Council's support for the culture sector

- 12.1 The Council has provided additional flexibilities and support for the arts and cultural organisations which it funds directly during lockdown. The Council's investment in arts and culture is made through the Strategic Cultural Investments and Grants portfolio, which has a combined value of £4.2million.

At the start of COVID-19, the Council, along with the other main funding bodies providing core funding for Manchester arts and cultural organisations (ACE and GMCA), removed the conditionality of its funding agreements. This allowed recipients to plan and implement contingency measures and to use Council funding contributions where they were most needed.

- 12.2 Monitoring and reporting on funding agreements was suspended from April 2020 until September 2020, in line with ACE and GMCA. Following the tentative steps to reopen the sector over the summer, all funding requirements were reinstated from 1 October 2020. However, with the further national lockdowns that have been in place in November 2020 and from January 2021, the Council has continued to monitor organisations but has suspended delivery targets for the remainder of this financial year. Now that the roadmap for coming out of lockdown has been announced, the Culture Team will work with funded organisations to review outcomes and Key Performance Indicators for 2021/22 in the coming weeks.
- 12.3 A Manchester Culture Recovery Board was established in June 2020 to co-ordinate the city's post COVID-19 Culture Recovery Plan. It is concerned with areas over which the Council has control and significant influence. The Plan feeds into Manchester City Council's wider plans for the economic and social recovery of the city. Chaired by Executive Member for Skills, Culture & Leisure, the board brings together Council officers and representatives of the sector and wider partners.
- 12.4 Whilst the bidding process for the Government's Culture Recovery Fund has not allowed for place-based applications, a number of organisations successfully included funding for joint recovery investment strategies in their applications. There are two workstreams a) work with the Manchester Cultural Education Partners and b) an Audience development, PR and Marketing campaign. Both groups are being supported by council officers.
- a) Manchester Cultural Education Partnership (MCEP) is a collaboration between cultural, educational and youth organisations. The partnership across these sectors is reflected in strategic and working groups and in the delivery of associated projects. Cultural partners successfully secured £115,000 via the Cultural Recovery Fund for MCEP activity. Some initiatives are being delivered by individual organisations and collaborative activities include:
- A partnership coordinator post.
 - Communications, including development of a dedicated website aimed at educators.
 - 25 Young Influencers aged 10 – 21 years old recruited as youth panel and creatives.
 - 13 pilot digital projects demonstrating how creativity can support learning across the curriculum
 - National Careers Week (1-6 March 2021) will see a programme of creative industry speakers and workshops delivered remotely in partnership between cultural organisations and local schools. The Council's Work &

Skills Team are supporting the development of the programme and of longer-term relationships with careers and skills advisors in schools.

- Unlock Your Imagination, a series of activities to support creativity and wellbeing during lockdown. More info here:
<https://www.creativeyouthmcr.org/>

Several cultural partners have also included the joint MCEP recovery work in their Cultural Recover Fund Round Two applications to provide continuity of delivery into 2021/22. Members of MCEP are also working on strengthening partnerships with schools and youth organisations, supporting educational recovery plans, Manchester's Skills for Life and developing resources to 'decolonialise' the curriculum.

b) A Joint £200,000 Audience Development project has been developed to aid the cultural recovery of the region and to support the public's confidence in returning to venues and events in the city centre. The three target groups and messages are:

- Greater Manchester audiences: as venues reopen and travel to experience arts and culture is allowed, this will ensure that audiences are aware that cultural activity in the city is still taking place, that the programme remains high quality, and that venues are amongst the safest places to be.
- New audiences: reaching out to people not traditionally engaged in cultural activity and underlining the value of arts and culture.
- Health and Wellbeing: aligning with partners in the NHS to underline the value of culture to health and wellbeing.

Eleven organisations have contributed funding through the Cultural Recovery Fund and are driving the project, however delivery will include the wider sector and campaign tools and messaging will be made available to them. The campaign will also be promoted by Visit Manchester, CreativeTourist.com and see the launch of Loads to Do, the Council's new 'one stop shop' culture site for residents.

Alongside the marketing campaign is a grassroots engagement strand that will bring together cultural organisation's community cultural ambassadors to support the campaign at a local level. This is a longer-term piece of work that will also consult with residents about their needs emerging from the pandemic, what kind of work they would like to see at cultural venues and facilitate a day of community cultural events across the city. The Cultural Ambassadors will be supported to connect with cultural venues programming and marketing teams to report their findings and influence future planning by the venues, developing a more sustained approach to engaging residents less represented in audiences now. The Experienced audience development specialist Sharon Raymond has been engaged to deliver this work.

An independent company, Indigo Bluegrass, has been commissioned to evaluate the programme overall. and Marketing Manchester has been commissioned as project managers. The Council's Communications, Culture and Visitor Information Teams are supporting the workstreams.

- 12.5 In June 2020, with the benefit of the Council’s insights into the challenges and threats to the sector of the COVID-19 crisis and associated lockdown, a detailed response to the Department of Digital, Culture, Media and Sport’s (DCMS) inquiry into the impact of the sector was submitted for the city.
- 12.6 To date, four sector surveys, one specifically targeting music venues, have been undertaken to engage cultural partners. Survey results have enabled officers to target assistance, provide detailed information on the challenges in the city and to inform the one-to-one support provided, especially in helping companies secure Government grants and access business rates flexibilities.
- 12.7 Ensuring local cultural organisations receive the financial support they need to stabilise their businesses has been a priority. For example, a round-table meeting chaired by the Executive Member for Skills, Culture and Leisure was held with Music Venues, with the help of the Music Venue Trust in August 2020. And in August 2020 and January 2021, the Culture Team arranged webinars, with the help of the Business Growth Hub, to support businesses applying to the CRF. When surveying people that attended the January webinar, 100% of survey respondents said it was useful and that they went on to make an application to CRF. 90% of respondents said the information they received influenced their application and / or decision to apply.
- 12.8 With the benefit of a generous donation from the Savannah Wisdom Foundation with funding from B&M Retail PLC, a £500,000 Cultural Hardship Fund for Freelancers was launched in January 2021, awarding grants of £1,500 to individual freelancers that are either Manchester residents or GM residents who can evidence that they work in the sector in Manchester and who are facing hardship. On the opening day 1 February 2021, 170 applications were received and over 540 people had engaged with the application portal in the first week, giving a stark indication of need. Applications closed on 1 March 2021, by which time 330 applications had been received and grants had been awarded to 182 Manchester and Greater Manchester based freelancers. At the time of writing, the assessment of applications is ongoing and the number of people who will benefit will grow. The application process has been supported by the City Council by a cross departmental team including specialist Culture Team support and with colleagues at HOME who have provided a dedicated phonenumber and support for applicants.

13.0 Stabilisation funds secured to date

- 13.1 To date, the following emergency and stabilisation grants have been awarded through ACE’s support and the Cultural Recovery to Manchester-based cultural businesses:

ACE Emergency Funds NPO	£1,043,449
ACE Emergency Funds Non NPO	£1,077,663
ACE CRF Grass Roots Music	£262,114
ACE CRF Grant Round A	£9,671,964
ACE CRF Grant Round B	£2,147,434

ACE CRF Grant £1m+	£2,854,444
Heritage CRF Grant	£996,200
Total	£18,044,268

13.2 It is hoped that the support and webinars arranged by the Council for applicants, with assistance from the Business Growth Hub, have made a difference in the quality and success of application from Manchester.

13.3 To date, we estimate that up to 40% of the cultural organisations in the city may not yet have received any sector-focused COVID-19 support.

14.0 Support for Capital Cultural Projects

14.1 *Powering Recovery: Manchester's Economic Recovery and Investment Plan* includes a request for a stimulus package for several key capital cultural investments totalling £36.9m:

- Craft and Design Centre Redevelopment £5m
- Z-arts Centre £2.5m
- Space Studios £5m
- Campfield Yard £8.5m
- Crossley House Creative Industries Centre £12m
- Home Arches £2.3m
- Cultural Place Shaping £1.6m

15.0 Support for Training and Young People

15.1 The government's Kickstart Scheme - provides funding to create new job placements for 16 to 24 year-olds in receipt of Universal Credit and at risk of long-term unemployment. Employers in the cultural and creative industries sector are keen to create work experience opportunities through the scheme and a consortium approach has been developed.

15.2 Cultural education charity, Curious Minds and The Factory Academy rallied Greater Manchester and North West based arts organisations to propose initial Kickstart scheme job roles for a joint application, led by Cultural and Creative Skills as a 'Gateway Organisation'. An application was submitted to the Department for Work & Pensions in October and in February the consortium received confirmation that 58 roles have been approved for Greater Manchester.

15.3 Organisations that were successful as part of the consortium application include; Manchester International Festival (MIF) (10 roles); HOME (8 roles); Royal Exchange Theatre (6 roles) and Contact (12 roles). The next stage is to for the job roles live with DWP when organisations are ready - MIF is the first to have submitted immediate roles for recruitment and conversations are underway with others. A launch event is planned in April to celebrate the first roles going ahead and to encourage more employers to get involved.

15.4 The Factory Academy has developed 'Kickstart Creative' - a training programme aligned to the Kickstart roles which is available to Greater Manchester based employers in the sector and includes training for line managers. In order to prepare people for Kickstart jobs and to create a pipeline of talent, The Factory Academy is running DWP approved pre-employment training academies that embed a BTEC qualification in Work Skills. 29 people have completed the training so far with 15 currently on programme and a further 45 planned to start by the end of July 2021. The DWP will be able to refer participants in the pre-employment programme into roles that come available within the creative sector.

16.0 Conclusion

16.1 The Prime Minister's roadmap for easing COVID restrictions was announced on 22 February and it includes specific plans for the cultural sector. At Stage 3 of the plan, and not before 12 April, it is hoped that indoor entertainment and hospitality will return, including museums, galleries, theatres, and cinemas, and some large events will restart with reduced capacity limits:

- Indoor events: 1,000 or 50%
- Outdoor other events: 4,000 or 50%
- Outdoor seated events: 10,000 or 25%

16.2 Event pilots will be run with social distancing as part of the Events Research Programme, including use of enhanced testing approaches and other measures to run events with larger crowd sizes and reduced social distancing to evaluate the outcomes. It will examine how events can take place without the need for social distancing using other mitigations such as testing.

16.3 At Stage 4, not before 21 June, and at least five weeks after Step 3, the plan is to remove all legal limits on social contact, allowing for indoor household mixing and depending on the outcome of Events Research Programme, the government hopes to be able to lift restrictions on events sectors, reopening settings including nightclubs, large events and theatre performances and potentially with testing procedures to reduce the risk of infection.

16.4 The Culture Recovery Plan had forecast that the country would be now in a position to reopen cultural activity, to rebuild the cultural offer and restart the city's cultural life but the nation faces continued disruption at least until mid-June 2021. England is currently in the midst of its third national lockdown and Greater Manchester has experienced far-reaching social and economic restrictions for most of the year as part of additional local measures. The devastating impact of COVID-19 on the country has extended far beyond anyone's expectations and businesses in Manchester have been particularly adversely impacted.

16.5 The Director of Culture has started the process to refresh the Cultural Recovery Plan to provide a vision and strategy for the sector in the face of the continued impact of COVID-19. It is more apparent than ever that as well as the economic recovery role that the cultural sector needs to play, that it has an

important contribution to health and wellbeing of Manchester's residents too. Evidence shows that participating in cultural activities and attending arts and cultural events can help to combat isolation, enable people to make connections and socialise, increase confidence levels, provide opportunities to explore and share experiences and possibly most importantly - to have some joy and fun.

- 16.6 A wide-ranging consultation approach is being deployed to inform the Cultural Recovery Plan refresh, working with lead members and colleagues internally, and with partners across the sector to take account the ongoing impact of the pandemic on cultural businesses on the ground. This includes:
- Consultation with the Cultural Leaders Group
 - Consultation with other cultural partners through existing fora and network meetings such as 'What's Next'.
 - Being informed by national conversations with Arts Council England and the new network of Cultural Leaders groups across the North.
- 16.7 As part of spring budget on 3 March 2021, the Chancellor is expected to announce £408m of support for museums, theatres and galleries in England to reopen when COVID restrictions ease. Further Culture Recovery Fund investment will be welcomed and the full announcement will be reviewed once details are available.
- 16.8 Officers continue to maintain contact with cultural partners and music venues supporting and advising individual businesses and sharing information, advice and guidance and details of funding opportunities. The Council with its strategic partners and cultural leaders will continue to champion the needs of the cultural sector in the city and seek the support needed to deliver the Culture Recovery Plan.

17.0 Recommendations

The Committee is invited to consider and comment on the information provided in this report.