



Living in Hackney Scrutiny Commission, 11 February 2021

Item four: Covid 19 Impact and Recovery Plan for Culture prepared by Lucy McMenemy, Cultural Development Manager, 25 January 2021.

1. The impact of Covid-19 on the arts and culture

1.1 Understanding the impact

In order to understand the impact of the pandemic on the borough's arts and cultural organisations and to inform support from the Council, the Cultural Development Team has been in ongoing dialogue with the sector as follows:

- An online survey was carried out with the sector in April 2020 to understand the impact of the first lockdown. Report here:
<https://docs.google.com/document/d/1VuabvW48ilWFri3HHstytvxqmwNvaSG0/edit#>
- A follow up, online meeting was convened in May 2020 for all cultural orgs, Mayor Glanville and Cllr Nicholson, to explore how the council can help. The questions and answers that were later addressed as a result of that session are shared here:
<https://docs.google.com/document/d/16PeIPOtXgGruRA5uUv9RXOW1JAQfeUi6/edit>
- An online meeting was convened for cultural organisations working with children and young people, to identify the risks and opportunities. The report is shared here:
<https://docs.google.com/document/d/1ez378R8onpBTYeiY1mCiYmB3a8-NhCrm/edit>
- A range of existing and new cultural business forums have provided feedback and the opportunity to discuss constructive approaches to the crisis, engaging more than 220 representatives:
 - Discover Young Hackney network (working with children and young people)
 - Hackney Carnival Network
 - Theatre venues and cinemas
 - Heritage and visual arts organisations
 - Music venues
 - Black, Asian and ethnically diverse groups
- Monthly, online check-ins continue to be held with three groups of cultural venues particularly affected due to a) having business models based on filling large auditoria and/or b) loss of venue hire income:
 - Theatres & cinemas
 - Music venues
 - Heritage and visual arts organisations

1.2 Key learnings from the above dialogue

1.2.1 Impact of the first lockdown

It should be noted that in recent years most UK cultural venues have made a shift away from relying mainly on subsidy from arts funders and have developed additional, new earned income streams through bars, venue hires, workspace leases etc. This mixed income approach made UK cultural organisations very resilient pre-covid, but very vulnerable to the impact of the pandemic.

In brief, the following impacts were recorded in the Culture Team's survey carried out in April 2020 and from feedback at online meetings:

- Most organisations reported a loss of income, by 50-100%, through a combination of:
 - Freezing / withdrawal of grants from funders
 - Loss of earned income e.g tickets sales, space hire, hospitality
- Within this financial context cultural venues told us that they:
 - paid back client deposits
 - gave refunds on ticket sales
 - paid artists and companies they work with, despite the cancellations
 - reduced rent to tenanted office spaces
- Organisations in council premises were able to discuss rent deferrals. Others renting from private landlords reported a lack of such support or understanding.
- In the context of losing all earned income, organisations with existing funding agreements with public funding bodies such as Arts Council England sought to repurpose their grants to support their new cashflow requirements.
- Various organisations reported falling outside the criteria for the first round of government funding due to not paying business rates / the high rateable value of their premises / being a micro business located in shared workspaces / being in receipt of charities' rate relief.
- Whilst the job retention scheme protected many jobs in the sector (and continues to do so), the impact on work for artists and other freelancers has been severe, as in many cases their paid work has entirely stopped. (1 in 10 jobs in Hackney are in the cultural and creative industries.)
- The response from the insurance industry regarding Covid-related public safety in venues has raised questions and uncertainty.
- Many organisations reported concern about losing contact with participants / audiences and the potential effect that would have on the wellbeing of young people / older people, digital exclusion and the end of apprenticeship opportunities were also reported as serious causes for concern.

Early on in the pandemic, Arts Council England (ACE) very quickly set up a series of new Emergency Funding rounds for arts and cultural organisations, and individuals.

Many Hackney organisations survived the first phase of the pandemic thanks to a combination of this emergency funding from ACE, emergency government grants administered by LBH, crowdfunding campaigns and the use of their own reserves.

Some cultural venues also created alternative income streams where possible such as opening for off-sales, using their venues as a bike store, food market etc.

At this point, the Council lobbied the government through the Parliamentary Inquiry into the impact of Covid on the DCMS sector on a range of points including:

- Extension of the Job Retention Scheme for cultural organisations until social distancing is fully relaxed.
- Removal of the payment of business rates as eligibility criteria for the then forthcoming 'Top Up' grants for businesses.
- Expansion of the Arts Council England-led Emergency Fund to a forward-looking Sector Support Fund to support the development of organisational business models, enhancing business and sector resilience, investing into the infrastructure needed to enable new ways of connecting with audiences.
- Provision of guidance and resources on developing new business models, business continuity planning and organisational development to support future resilience.
- Provision of guidance on re-opening after the lockdown that gives businesses and the public the assurances they need.
- Expansion of the reach and capacity of Arts Council England's Digital Culture Network to support, enable and advise the increase in organisations now shifting to online programming.

1.2.2 Cultural Recovery Fund

The government's investment of £1.57bn into the arts and cultural sector and the extension of the Job Retention Scheme and ban on evictions has temporarily alleviated the devastating financial impact of the crisis for a significant part of the sector in Hackney.

The Cultural Recovery Fund (CRF), administered by Arts Council England / British Film Institute / Heritage Lottery Fund, was launched to enable cultural organisations affected by the Covid-19 crisis to stay afloat, providing them with support over a 6-month period, with a view to them reopening or operating on a sustainable, cost-efficient basis by 31 March 2021.

The first Round of the Cultural Recovery Fund attracted a total of £11,982,234 to 68 of Hackney's arts and cultural organisations. This is a very good result for Hackney,

representing the fifth highest level of investment in a London borough, after Westminster, Camden, Islington and Lambeth.

A second round of Cultural Recovery Fund was launched in December and applications are currently being assessed. The second round aims to support organisations as they transition back to a viable and sustainable operating model during April-June 2021.

Cultural organisations are currently telling us that whilst the Cultural Recovery Funding has prevented imminent closure, their concerns are about a financial cliff edge forming in July 2021, when the CRF and other emergency funding will end.

1.2.3 Reopening and re-closing venues

As the first lockdown restrictions eased, and when the first payments from the Cultural Recovery Fund started to be received, Hackney's venues were keen to reopen to focus on programming, keeping staff employed and getting artists back into venues.

The planning process for the reopening was complex, with many considerations to take into account to ensure that staff and audiences were covid-safe.

Those venues that did temporarily reopen in between lockdowns reported the following:

- Severely reduced audience capacities due to social distancing measures, particularly venues with large auditoriums. For example, a music venue reported opening at 12.5% capacity and two cinemas reported reopening at 30% - 32% capacity.
- Some venues held two performances per night to mitigate the reduced capacity.
- The 10pm curfew affected bar sales, but venues tended to start performances earlier in the evenings to mitigate that.
- Organisations that managed to reopen still financially struggled, perhaps more so than when they were shut due to overhead costs but very little income (due to having to operate at less than half capacity).
- Cinemas, theatres and music venues reported that audiences had been responding very well, and that screenings / performances had sold out.
- There was concern about the lack of new film offerings / performances being put forward by the relevant industries and no international tours taking place i.e. not enough new work being available to draw audiences in.
- There were some vacancies in workspaces as creative industry businesses who usually hire them were also financially impacted.

Feedback about further closures was as follows:

- Closing again was particularly painful as business was just starting to pick back up before the second lockdown.
- Some organisations continued to open for tenants and daytime tv and film screening, rehearsals and recordings, providing a vital income stream.
- Young peoples' activities were continued where possible, mostly online but some delivered face to face for the most vulnerable.

- The continuous changes in Covid restrictions has played havoc with attempts to programme any live activity; most organisations are digitising their cultural programmes.
- Alternative covid-safe income streams continue to be developed e.g. merch sales and developing take-away services
- Organisations remain optimistic that audiences will return once restrictions are lifted and are keen to get support from the council in developing a 'hyper local' publicity campaign for new programmes of live events in 2021.
- Organisations are concerned about future scrutiny from neighbours, after an extended 'quiet' period; neighbours may object to the return to normal operations.

1.2.4 Innovative ways of reaching audiences and staying connected

With the challenges faced by cultural venues, the sector has explored new avenues for staying connected with audiences, employing artists and creating platforms for their participants. Many have successfully transitioned to an online offering or created alternative platforms as follows:

- Music venues: live stream events

Several of Hackney's music venues are now streaming regular, ticketed live gigs. This has kept audiences engaged and provided work for musicians but it is yet to be established if paywalls for this kind of content can make a significant contribution to the income of small organisations. Buying the relevant equipment has been a long term investment for the venues.

- Arcola Theatre: Arcola Outside

The Arcola Theatre has created 'Arcola Outside', a new outdoor performance space and bar on a site near the theatre's main building on Ashwin Street. When Covid restrictions allow, the Arcola Outside will enable the theatre to welcome audiences back, and to create new opportunities for freelance artists and workers. It will be a flexible, multi-purpose space, able to host live performances, screenings, installations and more.

- Immediate Theatre: Hackney Social Radio

Hackney Social Radio was created in April 2020 to address digital isolation amongst older people, "creating a sense of community through the airwaves". Programmes are broadcast weekly on [Resonance 104.4FM](#), making it accessible for those without a digital device. Every Wednesday, programmes feature music requests, audience phone-ins, stories from the community, features from local artists, interviews and advice from experts, with regular up-to-date information about where to access help and support.

- Access All Areas: Still Here

Still Here was a six week, outdoor audio exhibition across Hackney. Through the use of QR codes, audiences were invited to hear learning disabled and autistic artists share their experiences of lockdown, and their hopes for the 'new normal'. The exhibition was located

on the streets of Hackney, launching on the day when the live Hackney Carnival would have taken place.

2) Recovery Plan for arts and culture in the borough

2.1 Existing support from the council

Many council services have directly supported the borough's arts and cultural organisations to survive the challenges caused by the pandemic, including Regeneration, Property, Environmental Health, Licensing, Employment and Skills and Cultural Development.

Collectively, these services have:

- Shared information by
 - holding the regular meetings with the sector outlined in 1 above, and the Hackney Wick Fish Island CEZ studio providers, where challenges were discussed with Culture, Regeneration, Business and Regulatory Services
 - providing weekly, up to date information about government grants and other support to business in the Hackney Business Newsletter
 - sharing a weekly 'Cultural Update' email with 296 organisations in Hackney which includes details of sector-specific funding support and opportunities on a local, regional and national level

- Supported access to funding by:
 - administering the many rounds of government funding for all kinds of businesses, including arts and cultural organisations and freelancers
 - organising funding advice sessions by ACE on Project Grants and Developing Your Creative Practice funding programmes
 - writing letters of support for ACE and BFI Cultural Recovery Fund applicants, to endorse their applications in the context of the Arts and Cultural Strategy.
 - maintaining contact with ACE throughout the pandemic, sharing our findings and advising on the needs of the sector in Hackney
 - launching the Wick Together cultural commissioning fund for creative freelancers in the Hackney Wick / Fish Island CEZ
 - allocating funding from the second round of the Shoreditch and Hoxton Art Fund to projects that will support the wellbeing of local residents by engaging them in cultural activities

- Supported the cultural infrastructure by:
 - supporting venues with rent referrals where necessary
 - engaging with private landlords and highlighting the importance of supporting venues and studios where necessary
 - connecting venues with the GLA's Culture at Risk office, which has assisted in negotiations with landlords

- Supported the reopening process by:
 - inviting guest speakers to share best practice in reopening workplaces

- advising on how to interpret government and local guidelines on the restrictions for licensed venues
- giving practical advice on how licensed venues can reopen safely, including visits by regulatory services
- promoting venues through the Love Hackney Shop Local campaign
- Supported the creation of training opportunities for young people by
 - advising on how the cultural sector can get involved in the government's Kickstart Apprentice Scheme, in partnership with the Council, facilitating participation in the council's consortium application
- Supported the development of new online programmes of cultural activity by
 - organising online training sessions with Arts Council England's Digital Culture Network
- Supported heritage and visual arts organisations to reconnect with Hackney schools by
 - organising an online meeting with teachers to explore best ways to sustain access to Hackney's rich cultural offer in schools
 - collating and sharing details of creative opportunities (online workshops, online studio visits etc) with schools

2.2 Development of support for the arts and cultural sector

2.2.1 Funding

The sector will be supported to access further funding through the following actions:

- the creation of a new council commissioning fund for arts and cultural projects that facilitate community engagement, using Neighbourhood CIL funds. Organisations have advised the council that they would value having funding to experiment and to find new ways of working.
- the administration of further rounds of government funding for businesses
- the on-going promotion of funding opportunities for the sector
- keeping ACE informed about the concerns of the sector regarding the end of the CRF funding in June 2021

2.2.2 Advice and support for the NTE

In addition to the existing communication channels established with the sector (Business Newsletter, Cultural Update emails, monthly meetings etc), a new channel will be created:

- Hackney Nights is a new, online portal for licensed venues. The portal will serve as a hub for information and help to connect licensed venues to Hackney services, especially during the current crisis, and prepare everyone for the recovery phase. The portal will also promote online events, webinars, networking meetings, best practice and Covid 19 related advice.

2.2.3 Promotion of cultural activity in the NTE

As part of the existing Love Hackney Shop Local campaign, the council plans to help promote those venues that play a role in Hackney's night time economy:

- A specific Love Hackney Shop Local guide will be created to promote the cultural offers of Hackney's theatres, cinemas, music venues, and any other cultural organisations that attract audiences to Hackney's exciting nightlife. The guide is ready to launch as soon as Covid restrictions allow venues to reopen.

2.2.4 Development opportunities through a new Arts and Health Network

The council is preparing to establish a new Arts and Health Network to capitalise upon and coordinate some of the excellent work that the sector already delivers to support local resident's health and wellbeing. The network will focus on the following:

- Social prescribing
- Older residents and the negative effects of isolation
- Mental health in children and young people

2.2.5 A review of properties in the borough

The impact of Covid 19 on levels of empty commercial properties in the borough prompts the need for a conversation about any opportunities this could create for the arts and cultural sector. This conversation is yet to take place within the council.

2.2.6 Continued delivery of council-led cultural initiatives

The following, annual cultural initiatives / festivals that commission and showcase the work of local arts and cultural organisations continued in alternative formats in 2020, providing on-going support to the sector. They will continue to do the same in 2021:

- Hackney Carnival
- Windrush Festival
- Black History Month
- Discover Young Hackney
- Hackney Circle (for residents aged 55+)