

Date: 25 SEPTEMBER 2020

Subject: Cultural Recovery in Greater Manchester

Report of: Councillor David Greenhalgh, Portfolio Lead for Culture and Alison McKenzie-Folan, Portfolio Lead Chief Executive for Culture.

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## **PURPOSE OF REPORT**

In October 2019 and February 2020, GMCA agreed the GM Culture Fund and Portfolio of Funded Organisations, as part of a commitment of £8.6m over two years, to support delivery of the Greater Manchester Culture Strategy and the funding of Social Impact organisations.

In March 2020, all cultural organisations in Greater Manchester closed their doors as a result of Covid-19 national lockdown. While many managed to deliver activity during lockdown and beyond, the sector nationally and across Greater Manchester continues to be in a precarious position, with many still unable to open venues and operate and most unable to generate earned income, vital to the long-term sustainability of the sector.

This report outlines GM activity to date to support culture in GM, the national response to Cultural Recovery and presents for agreement a draft GM Cultural Recovery Plan (Appendix B), outlining how GMCA will prioritise existing Culture Portfolio resources to support the cultural sector where possible, recognising the scale of impact on the sector within GM is beyond the resources of GMCA to resolve, and provide cultural opportunities for Greater Manchester residents to the end of the financial year.

## **RECOMMENDATIONS:**

The GMCA is requested to:

- 1. Note Greater Manchester and national activity to date to support the cultural sector.**
- 2. Agree the draft GMCA Culture Recovery Plan set out at Appendix B**

## **CONTACT OFFICERS:**

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**Equalities Implications:**

*The draft GMCA Culture Recovery Plan considers the delivery of the agreed GMCA Culture Strategy to the end of this financial year. The GMCA Culture Strategy is driven by equality of access to culture across Greater Manchester.*

**Climate Change Impact Assessment and Mitigation Measures –**

**Risk Management:**

**Legal Considerations:**

*none*

**Financial Consequences – Revenue:**

*None – all activity is within the financial envelope agreed by GMCA for the GM Culture Portfolio in February 2020.*

**Financial Consequences – Capital:**

*None – activity is revenue funded*

**Number of attachments to the report:1**

**Comments/recommendations from Overview & Scrutiny Committee**

**BACKGROUND PAPERS:**

**25 OCTOBER 2019 GMCA – GM CULTURE FUNDING 2020 ONWARDS**

**14 FEBRUARY 2020 GMCA – GMCA CULTURE FUND 2020-2022**

|  |                                       |                                |
|--|---------------------------------------|--------------------------------|
| <b>TRACKING/PROCESS</b>  | <b>[All sections to be completed]</b> |                                |
| Does this report relate to a major strategic decision, as set out in the GMCA Constitution | Yes / No                              | <b>[Delete as appropriate]</b> |

| <b>EXEMPTION FROM CALL IN</b>  |   |   |
|--|---|---|
| Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? |   | Please state the reason the report is exempt from call-in |
| GM Transport Committee   | Overview & Scrutiny Committee                                   |   |
| [Date considered at GM Transport Cttee if appropriate]   | [Date considered by the relevant Overview & Scrutiny Committee] |   |

## 1. INTRODUCTION/BACKGROUND

- 1.1 Since lockdown began in March 2020, the GMCA Culture Team has been working to support the sector, working with local authority cultural leads, organisations in the GM Culture Portfolio, supporting digitally excluded residents through the Creative Care Pack project and entertaining and raising almost half a million pounds for the sector through United We Stream.
- 1.2 From March, all theatres, music venues, art galleries, and festivals shut their doors and cancelled all physical activity. While many have managed to maintain some level of digital delivery, or have supported wider GM responses in relation to supporting vulnerable residents, most staff have been placed on furlough and delivery as planned pre-Covid-19 has ceased.
- 1.3 While some organisations are technically able to open, many are struggling to generate the earned income required to operate as a viable concern and will do so until there is no longer a requirement for social distancing.
- 1.4 **Nationally, Oxford Economics research, commissioned by the Creative Industries Federation research forecasts;**
  - A drop of £74 billion for the UK's creative industries in 2020 (£1.4 billion a week)

- 406,000 (1 in 5) creative jobs expected to be lost - more than nine times the entire workforce of British Airways or almost triple the workforce of Asda in the UK.
- Creative industries GVA projected to fall by £29 billion (-25%), with the creative industries being hit twice as hard as the wider UK economy
- Music, performing and visual arts projected to lose £11 billion in revenue (-54%) and 57% of jobs (178,000) with theatres, recording studios and concert venues remaining closed.

- 1.5 There is currently no local level data on the scale of Covid-19 impact across GM's cultural and creative sector yet available. Greater Manchester has the largest cultural and creative sector outside London and the South East, and it is anticipated the impact will be significant. The sector has traditionally had a disproportionate number of freelance and self-employed workers, many of whom have not had access to Government Covid-19 related financial support. Again, data is not yet available at a GM level to quantify this impact.
- 1.6 There is a longer-term need to support the sector which is still in a perilous position. Throughout July and August 2020, the GMCA Culture Team has met with all recipients of GM Culture funding to establish the organisational health of all businesses within the culture portfolio.
- 1.7 While there is no immediate risk of closure for any organisations within the GM Culture Portfolio, many have had to make some incredibly challenging decisions, from significantly reduced programmes, to restructuring and consultation on redundancy for staff.
- 1.8 Most organisations feel that they will be able to continue operating through to the next financial year, but that the situation will become more challenging from April 2021.
- 1.9 The cultural sector has a key role to play in the recovery of GM's economy, places, international reputation and ability to attract visitors, residents and businesses in GM as well as in the physical and mental wellbeing of our residents. Measures need to be taken to support the sector as much as possible so they are able to return when it is safe to do so. There is also the opportunity for GMCA and the organisations GMCA funds and works with to build back better, tackling inequality in the sector and strengthening our already world-class cultural ecosystem.
- 1.10 To help the sector have the best chance of survival, and to support organisations and freelancers through the challenging months ahead, the GM Culture Team has been

developing a Culture Recovery Plan which will detail how GM will target existing resource for the remainder of the financial year.

- 1.11 These measures are designed to work with the HM Treasury Cultural Recovery Package announced in July, 2020, providing support that might not be possible within the parameters of that funding. The GM Culture Team will revisit the GM Recovery Plan with a revised series of actions for 2021/22 which will be informed by the outcome of the national financial events of Autumn 2020.

## 2. **GM CULTURE PORTFOLIO ACTIVITY TO DATE**

- 2.1 In February 2020, GMCA agreed the portfolio of 35 organisations to be funded by the GMCA Culture Fund, the individual funding amounts for each organisation for the two years beginning April 2020 and confirmed a commitment made in October 2019 to an annual £270,000 strategic culture fund to support activity that could not be delivered by a single organisation.
- 2.2 When lockdown was announced, the GM Culture Portfolio responded to urgent concerns raised by organisations within the portfolio (Appendix A) and advanced the first six month payments (April 2020-September 2020) of GM culture fund grants, totalling £1.75m, with no expectation of delivery. This funding supported individual organisations throughout the period, sitting alongside individual catch-ups with all organisations and Portfolio-wide regular two-weekly drop in session for all GMCA funded members to discuss issues, challenges and opportunities across GM.
- 2.3 For almost all of the GM Culture portfolio organisations, grant funding is equally spread by quarter and across the two years of the funding period. Advancing the first six months of funding meant organisations were able to respond to the urgent and immediate pressures of lockdown, including loss of income from other sources. All GM Culture Portfolio organisations will have at least 75% of their GM Culture funding allocation still to utilise from October 2020 to March 2022.
- 2.4 In March 2020, GMCA launched [GM Covid Commissions](#) – individual grants of £500, providing musicians, poets, illustrators, artists, writers and designers with vital funds and creating an archive of work that documents the first few months of lockdown.
- 2.5 Working with the GM Night Time Adviser Sacha Lord, the GM Culture team supported the launch of United We Stream to raise funds for the culture and night time economy sector. In just eight weeks, this online platform hosted more than 300 globally renowned artists and local breakthrough talent, reaching more than 14 million

people across the world and raising £477,000 in donations, which is now being distributed to businesses and individuals in the creative and night time economy across GM.

- 2.6 Planned delivery activity for the Great Place project was postponed to early 2021, with the project extended to May 2021. With funder agreement, Great Place activity refocussed to remote resident engagement with culture. The GM Great Place Project, worked with cultural organisations from across Greater Manchester to develop and deliver Creative Care Packs, distributing almost 40,000 Creative Care kits to young people and to isolated older residents across GM. Two further Creative Care Packs are under development, one for isolated older residents and one for younger people, to engage them in social action.
- 2.7 The GMCA Culture team has also been working with colleagues across Greater Manchester to ensure that culture and creativity are reflected appropriately in wider recovery plans, including place and economy and has been working with partners across Greater Manchester to leverage government support.

### **3. HM TREASURY CULTURE RECOVERY PACKAGE**

- 3.1 In July 2020, the Chancellor of the Exchequer announced a £1.57billion support package for arts and culture. The main portion of the package is being delivered by Arts Council England and is designed to support organisations through to the end of this financial year, either by allowing organisations to lay dormant until they are able to open safely and viably, or by supporting them to make adjustments to their business model to operate in a Covid secure way. The first round of funding closed for applications on Friday 21st August.
- 3.2 The package comprises:
- £1.15billion support funding for cultural organisations in England, delivered through a mix of grants and loans. This will be made up of £270m of repayable finance and £880m of grants.
  - £100m of targeted supported for the national cultural institutions in England and the English Heritage Trust.
  - £120m capital investment to restart construction on cultural infrastructure and for heritage construction projects in England which was paused due to the Covid-19 pandemic.
  - The package will also support heritage, cinema and television (BFI, Historic England, National Lottery Heritage, therefore the scope of funding is much broader than the arts.

- 3.2 It is estimated there are around 200 'large' cultural organisations and venues in GM. The number increases to more than 700 if the smaller lesser known community organisations are included. The GMCA Culture team have supported bid development from a wide range of GM organisations, but has no influence on the outcome of funding decisions for this national financial response.
- 3.3 Nationally, HM Treasury have stated there is no intention to extend the Job Retention Scheme or "furlough", or to provide further support for self-employed workers, therefore in a sector so heavily reliant on freelancers and self-employed workers, there are likely to be further redundancies. Support for freelancers and individual artists and musicians do not feature in the national Cultural Recovery package, therefore it is increasingly important to consider how they can be supported in Greater Manchester.
- 3.4 It is also important to reflect on the opportunity the Covid-19 pandemic has provided, in terms of how nationally, regionally and locally it is possible to build back better. This is particularly true of the culture sector where opportunity exists to improve diversity within it and relevance to all audiences.

#### **4. GM CULTURE RECOVERY PLAN**

- 4.1 The culture and creative sector which is usually built around collective experience and physical proximity, was one of the first to close as a result of Covid-19 and will be one of the last to reopen safely due to the need for social distancing. As a result, the impact of the pandemic has been disproportionately high and for many in the sector, the future is very uncertain.
- 4.2 The national Culture Recovery Package will put in place financial support for cultural organisations until the end of the financial year, and it is not yet known if further national support will be made available from April 2021. It is already clear, that the scale of the challenge facing the sector to recover and reopen safely in GM is beyond the financial and resource capacity of GMCA.
- 4.3 Recognising the huge scale of the challenge and the limited resources available to GMCA, it is proposed the focus of GMCA Culture activity over the next six months will be on:
- providing certainty of GMCA funding to the GM Culture portfolio organisations and how, when their normal activity is not possible, they can support the sector and residents whilst delivering the GM Culture Strategy outcomes.

- utilising the balance of “strategic” funding for this financial year for activities that will support the delivery of the GM Culture Strategy as set out at 4.11
  - working with partners locally, including LA culture leads and nationally to understand the impact of Covid19 on the sector, and to as far as is possible, working to protect the GM ecosystem, acknowledging the inevitability of the loss of organisations as the pandemic continues
  - local, regional and national input to the needs of GM’s cultural sector, particularly in the next financial year.
- 4.4 The GM Culture Recovery Plan (attached at Appendix B) was developed in collaboration with more than 30 cultural organisations, as well as representatives from all ten districts and delivery partners across the conurbation.
- 4.5 All activity will support delivery of the GM Culture Strategy in three specific areas;
- **Sector Support** - Activity that directly supports cultural organisations and creative individuals through the immediate impact of Covid-19
  - **Build Back Better** - Activity that will allow cultural organisations in Greater Manchester to emerge from the impact of Covid-19 stronger
  - **Long-term strategic activity** - Activity that was planned prior to Covid-19 that should be continued
- 4.6 GMCA supports the cultural sector in Greater Manchester primarily through investment in the GM Culture Fund Portfolio of 35 organisations. These organisations, based in all ten districts of Greater Manchester, receive funding to deliver activity throughout our city region.
- 4.7 Working with GM Culture Portfolio organisations, GMCA will aim to support the wider GM Cultural sector. This will include renegotiating Portfolio organisation delivery, within the existing funding envelope to maximise impact within Covid-19 constraints, and better reflect what is feasible within the next six months. Agreed delivery with the Portfolio will focus on four key areas;
- Supporting individual artists and freelancers;
  - Providing cultural activity for communities hardest hit by Covid-19;
  - Providing opportunity for young people in Greater Manchester; and
  - Reduce inequality in the cultural sector, with a particular focus on BAME and working class artists and professionals.

- 4.8 Alongside this, GMCA will continue to support cultural organisations to deliver in town and city centres and communities and advocate for the vital role the organisations play in our town and city centres and lives of our residents. This includes the GM Town of Culture programme.
- 4.9 As part of the GM Culture budget confirmed by GMCA in February 2020, £270,000 was ring-fenced to support strategic activity that could not be delivered by a single cultural organisation. Some of these funds have already been committed as a result of the immediate response to Covid-19, the balance will be deployed, strategically, to support and maximise the impact of cultural activity across Greater Manchester.

| <b>STRATEGIC ACTIVITY 2019/2020</b>                    | <b>£</b>       |
|--|----------------|
| Support for individual artists (inc Covid Commissions) | 50,000         |
| United We Stream                                       | 60,000         |
| Night Time Economy                                     | 10,000         |
| Marketing Manchester Culture Campaign                  | 20,000         |
| Centre for Aging                                       | 30,000         |
| Place – including prep for GM Town of Culture          | 60,000         |
| Health, Wellbeing, Ageing and the Arts                 | 10,000         |
| Young People & Skills                                  | 30,000         |
|  | <b>270,000</b> |

## 5. RECOMMENDATIONS

- 5.1 The recommendations can be found at the front of this report.

## Appendix A: GM Culture Fund 2020-2022

| Organisation name                    | 2 Year Total       |
|--------------------------------------|--------------------|
| The Halle                            | £1,498,340         |
| People's History Museum              | £817,940           |
| GM Arts                              | £612,000           |
| Royal Exchange Theatre               | £438,680           |
| Old Courts                           | £400,000           |
| Quays Culture                        | £380,000           |
| HOME                                 | £273,800           |
| Octagon Theatre                      | £214,400           |
| Oldham Coliseum                      | £204,860           |
| Contact                              | £194,000           |
| Manchester International Festival    | £180,000           |
| Art with Heart                       | £165,712           |
| The Turnpike                         | £121,500           |
| Manchester Camerata                  | £109,600           |
| Company Chameleon Dance Theatre      | £108,900           |
| The Met                              | £100,000           |
| Z-Arts                               | £99,500            |
| Wigan STEAM CIC                      | £99,000            |
| MancSpirit                           | £89,512            |
| Arts for Recovery in the Community   | £80,000            |
| Global Grooves                       | £80,000            |
| Walk the Plank                       | £80,000            |
| Manchester Literature Festival       | £80,000            |
| Manchester Jewish Museum             | £70,000            |
| Centre for Chinese Contemporary Arts | £70,000            |
| English Folk Expo                    | £70,000            |
| Cartwheel Arts                       | £60,000            |
| Manchester Pride (Superbia)          | £60,000            |
| Manchester Jazz Festival             | £59,048            |
| Manchester Histories                 | £50,000            |
| Comma Press                          | £49,394            |
| Brighter Sound                       | £29,088            |
| Gaydio                               | £26,000            |
| Music Action International           | £25,160            |
| Sheba Arts                           | £20,000            |
| Programme Management                 | £140,000           |
| Strategic Funding                    | £540,000           |
| <b>Total</b>                         | <b>£7,696,434*</b> |

\*excludes £920,048 invested in Social Impact organisations over the two years, inc GMCVO, Greater Sport, Waterside Adventure Centre and Proud Trust