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Rt Hon Oliver Dowden MP
Secretary of State for Digital, Culture, Media & Sport
Department for Digital, Culture, Media & Sport
100 Parliament Street
SW1A 2BQ

25th March 2020

Dear Oliver,

Re: Covid-19: Impact on Theatres and Performing Arts Sector

We are writing as representatives of the APPG on Theatre to express our concern at the impact of Covid-19 on theatres and the wider performing arts sector. And while we welcome the Government's response, we believe there is still more that needs to be done.

Therefore, we would be grateful for further action on the areas identified below:

- **Business continuity:** First and foremost, performing arts venues, and those companies that perform in them, are heavily reliant on income, have fixed costs, and no or limited reserves. Consequently, there are business continuity concerns for organisations, and this is an immediate and real concern. The situation in the part of the sector where trusts and charities own and operate venues is no less acute, with trustees of those organisations having to face difficult financial decisions in the coming weeks.
- **Guidance:** Clearer guidance is needed on what happens to those companies who suffer significant loss of income, both from engagement fees and from a downturn in box office sales. Some theatres have already run out of money and resources.
- **Period of closure:** Crucially, the sector also needs to understand the base scenario for how long closure might last whilst social distancing measures are in place. This timescale is essential for staff retention and forward planning.
- **Insurance:** We were pleased to hear the subsequent clarification of mandated closure of theatres from the Government, which meant those with relevant insurance policies should be able to claim. However, we know that a large proportion of theatres do not have insurance that covers communicable diseases such as Covid-19. We urge Government to think about other measures to aid them in getting through the next few months.
- **Employment and freelancing:**
 - **Self-employed workforce:** 70% of the theatre workforce, on average, is self-employed or a freelancer. The schemes announced to help businesses with employees on PAYE do not cover this group of people. They desperately need direct income support now.
 - **Support for casual/zero hours staff (not freelancers):** These are some of our most vulnerable staff and an immediate income solution is needed.
 - **Coronavirus Job Retention Scheme:** Some theatre staff are not being completely furloughed but put on reduced hours, so that venues can be maintained. We ask that this scheme be extended to cover them.



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- **Recovery Period:** More information from Government on a period of recovery is needed, especially for theatres. When the pandemic has been beaten and the country is starting to recover, theatres will not automatically just be able to put on shows. We also have serious concerns about how quickly supply chains can get up and running
- **Gift Aid and donations:** Clearer guidance is needed for theatres on what will happen to Gift Aid on those customers who ask for refunds, or indeed those that offer their ticket price as a donation to the theatre. Will Gift Aid be allowed to be kept on these transactions?
- **Refunds and exchanges:** The Consumer Rights Act 1985 levies a statutory requirement to process a refund or exchange within 14 days. This is nearly impossible now due to the volume being processed and the lack of staff to do them. We are, therefore, requesting a temporary stay of this requirement.

We also urge you to consider that when the UK comes through these testing times, theatres, concert halls, and other arts venues will have a key role in reuniting and healing communities. Without action, we fear many will have closed permanently by then if the above issues are not carefully addressed.

Yes, these are clearly unprecedented and difficult times, and we appreciate the landscape is changing rapidly. **Nevertheless, the total loss of income to SOLT and UK Theatre members from a 12-week closure is estimated at £630 million. These losses need to be mitigated.**

Moreover, given the importance of theatres to the creative industries, which are worth £111.7 billion, we are seeking immediate reassurance as to how you can support theatres today, tomorrow, and over the coming months.

With best wishes,

Giles Watling MP (Chair)

Stephen Metcalfe MP (Vice-Chair)

Andrew Lewer MP (Vice-Chair)

Matt Western MP (Vice-Chair)

Lord Kerslake (Vice-Chair)

Baroness Hamwee (Vice-Chair)

Baroness Whitaker (Vice-Chair)

Julian Bird (Chief Executive of SOLT/UK Theatre – Group Secretariat)