



To: Secretary of State for Digital, Culture, Media and Sport; and the Shadow Labour and Liberal Democrat DCMS Ministers / Secretary of State for culture; Communities Minister Northern Ireland; Cabinet Secretary for Economy, Fair Work and Culture, Scottish Government; and the Deputy Minister for Culture, Sport and Tourism, Welsh Government; the shadow Ministers/spokespeople for culture in the Welsh Assembly/Senedd, The Scottish Parliament and the Northern Ireland Assembly; and the Secretaries of State for Northern Ireland, Wales and Scotland.

26 March 2020

**Subject: Issues on which the governments could do more for theatres and their staff / workers, and where we still need clarity**

Dear All

We hope you and your families are safe and well and wish you well with the scale of the challenges you are facing individually and collectively.

Whilst we are sure you are considering how best to protect and support the arts and cultural sector, this letter summarises a few of the key issues about which we are concerned.

As theatre bodies from across England, Northern Ireland, Scotland and Wales we remain extremely concerned about the lack of clarity from Government on COVID-19 advice and measures to support the performing arts sector.

As you know, the current situation means that all venues across the UK, in Northern Ireland and across the West End have closed.

We welcome the package of measures put in place (W/B 16 March 2020) by the Chancellor and the devolved administrations, including business rates holidays and the furloughing scheme. But there is still more urgently to do and we'd like your help to raise these issues in the Senedd, at Holyrood, Stormont and in Westminster.

**The performing arts industry needs urgent clarity on recent government announcements.**

- **Business continuity:** First and foremost, performing arts venues, and those companies that perform in them, are heavily reliant on income, have fixed costs, and none or low or non-existent reserves. There are business continuity concerns for organisations with scarce resources to continue trading and meeting ongoing committed costs. This is immediate, (a matter of weeks) and of 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 soon.
- **Clearer guidance on what happens for those companies who suffer significant loss** of income both from engagement fees and from a downturn in box office. Some theatres already have begun to 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 while social distancing measures are in place – this timescale is essential for staff and planning.
- **Closures' advice:** the UK Government should have been more explicit and ordered theatres to close, not just advised them to do so. This left the sector very concerned as to whether their insurance would cover the period of closure or not.
- **Insurance:** We welcomed the subsequent clarification of mandated closure from government, which meant that for those with relevant insurance, policies should pay out. However, we know that a large proportion

do not have insurance that covers communicable diseases such as Covid-19. We urge governments to think about other measures way to aid them in getting through the next few months.

- **Employment / freelancing**
  - **Self-employed workforce: 70% of the theatre workforce on average is self-employed/a freelancer.** The schemes announced to help businesses with employees on PAYE do not help this group of people – they desperately **need direct income support now**. We understand that the Chancellor is due to announce support today; this is welcome and the critical issues will be clarity on eligibility and the speed with which people now three months into total loss of income, in some cases, can access money. Signposting and business support will also be vital in the coming days and weeks.
  - **Support for casual/zero hours staff** (who are not freelancers) - this does not seem to be getting any traction at many levels, but these are some of our most vulnerable staff where an **immediate income solution** is needed.
  - **Coronavirus Job Retention Scheme:** We urgently need clarification on the operation of this scheme. We are concerned that the guidance as it stands suggests that employers might need to evidence a redundancy process in order to access support. At this time of stress and distress we wish to avoid this. Further, those employers who are trying to do the right thing by their staff by keeping them on could be disadvantaged – we want this scheme to support employers both to be fair to staff and to give them a better chance of continued employment in the recovery phase.
  - It is not clear whether staff who are not being completely furloughed but put on reduced hours - for example so venues can actually be basically maintained – can be eligible for this scheme. Clarity on this is required immediately.
  - It appears the scheme can only be used to put workers full-time into furlough – for our sector, we need flexibility to furlough employees part-time to meet business resilience/recovery need and retain skills and work across the maximum number of individuals.
  - If this type of flexibility is not feasible, want to see other flexibilities to enable employees to do some activity with the employer during their furlough period e.g. can they volunteer to take on activity during their furlough; can they undertake training and development?
  - If contracted seasonal staff are due to start between now and the current scheme end date in June, we want to ensure the scheme allows for them to take up contract and be immediately furloughed.
  - Furloughed employees should be able to be activated and de-activated repeatedly as needed within the design of the scheme, given that UK scientific advice suggests we may be entering episodic periods of suppression for 12-18 months.
  - We assume the 80% of salary costs supported by the scheme relate to gross salary costs including NI & pension but again confirmation of this is needed quickly.
- **Recovery Period:** More information from government on recovery from this period is needed, especially for theatres. When the pandemic is starting to dip and the country recover, theatres will not automatically just be able to put on shows. Rehearsals have stopped, set are not being built etc. We also have serious concerns about how quickly supply chains can get up and running. It is vital that support arrangements for both employees and freelance staff can be activated and de-activated repeatedly as needed within the design of the scheme, given that UK scientific advice suggests we may be entering episodic periods of suppression for 12-18 months.
- **Gift Aid / donations:** clearer, early guidance 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/exchanges:** The Consumer Rights Act 1985 and the Consumer Rights Act 2015 in Northern Ireland 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 (as more people start to self-isolate). We are lobbying hard for temporary stay of this requirement.
- **Moving forwards:** We urge you to consider that when the UK comes through the other side of these testing times, theatre and concert halls, large and small and other arts venues will have a key role in reuniting and healing communities. We fear many will have closed permanently by then if the above issues are not carefully addressed.

We appreciate that this is an evolving situation and that this list of concerns is more of an immediate snapshot of the emerging impact of COVID-19 on our industry. We are of course happy to discuss our concerns in more depth with you as the situation develops.

We hope that you accept our thoughts in a spirit of partnership and cooperation and that by working together and with clear purpose, we will survive, find the right solutions and emerge stronger.

Yours sincerely

Julian Bird, CEO [UK Theatre](#) and [Society of London Theatre](#)

Jude Henderson, [Federation of Scottish Theatre](#)

Niamh Flanagan, [Theatre Northern Ireland](#)

Geoff Cripps, Interim Chair, [Creu Cymru](#)

Lorne Campbell, Artistic Director, National Theatre Wales