

## Cultural Sector Impact Study

Executive Summary 6<sup>th</sup> May 2020

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The purpose of this research is to understand the short-term impact of Coronavirus on organisations and individuals working in the arts sector in the West Midlands. Over a six-month period, the CRU will undertake fortnightly surveying in order to capture data and intel that will inform the work of the CRU as it undertakes lobbying, campaigning and advocacy work for the cultural sector and influences recovery plans delivered locally and regionally.

The CRU is mindful of survey fatigue within the sector and are therefore focussed on capturing data that will inform actions. Many other organisations are engaged in similar survey activity, but none are focused on our region and our sector, exclusively.

So far, the research has highlighted the following points, based on the responses to a local sector survey of 124 respondents:

- Organisations and individuals are extremely concerned about their income for the next six months; with 70% of organisations and 60% of individuals expecting to earn less than 25% of what they generated in the same period last year
- While earnings are expected to be significantly down, few organisations or individuals reported having reserves or personal savings to draw upon. 34% of organisations have no reserves at all and 23% will have less than a quarter of their reserves left in three months. 28% of individual respondents have no savings at all, while 36% expect to have less than 25% remaining after three months
- 50% of organisations report that they have refocused their priorities, with 62% furloughing all or some of their workforce through the Job Retention scheme. No-one is reporting commencement of redundancy processes, though
- There are good levels of awareness of the other measures being developed to support the sector, with Emergency Funds (from ACE, lottery funders or unions, for example) exceeding 87% for both individuals and organisations. However, take up is perhaps lower than expected with just 48% of organisations and 50% of individuals applying for these funds, so far
- 77% were aware of Business Rate relief measure with 26% already applying for this relief. Many reported that their business was not eligible due to charitable status and pre-existing rate relief measures. The appropriateness of the Business Bank Loan scheme is even more debatable though; while awareness is high at 83%, just 3% of organisations have applied
- Individuals reported high levels of awareness of the Self-Employed Income Support Scheme; but only 44% have applied. Many report uncertainties about eligibility criteria
- Looking ahead, 22% of organisations expect to be trading again immediately once lockdown is lifted, with 25% confident that they'll be trading again within 3 months. 47% are somewhat confident that their business will recover within 12 months, with 33% not so confident

- Individuals suggest that they may be a little slower to commence trading with just 20% confident of an immediate restart. 56% expect to be trading again within six months (compared to 47% of organisations), with 41% somewhat confident their work will recover within 12 months.
- 3% of individuals and 3% of organisations suggest that they will not re-commence any activity after lockdown, with their business and freelance work expected to fail
- Finally, both organisations and individuals report that they have been using this time to reflect, refocus and reconnect – with 80% of individuals and 83% of organisations reporting that they have discovered positive opportunities or lessons during this period