



Subject:	<b>Motion – Funding for the Arts and Creative Industries - Responses from Ministers for Communities and Finance</b>
Date:	20th November, 2020
Reporting Officer:	John Walsh, City Solicitor and Director of Legal and Civic Services
Contact Officer:	Jim Hanna, Senior Democratic Services Officer

<b>Restricted Reports</b>	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Sometime in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

<b>Call-in</b>	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	To consider responses from the Ministers for Communities and Finance in relation to a motion on Funding for the Arts and Creative Industries.
<b>2.0</b>	<b>Recommendation</b>
1.2	The Committee is asked to consider the responses.
<b>3.0</b>	<b>Main Report</b>
	<b><u>Key Issues</u></b>
3.1	The Committee will recall that the Council, at its meeting on 1st October, passed the following motion on Funding for the Arts and Creative Industries which had been proposed by Councillor Mulholland and seconded by Councillor Smyth:

“This Council acknowledges the contribution of those employed in the Arts, Events and Creative Industries. It understands the impact that lockdown has had on these sectors; on theatres, museums, live music venues, comedy clubs, freelancers and individual artists and all other creative outlets that have been in the dark since March, with most having no finite indication of when their activities can recommence safely.

The Council welcomes the allocation of £29million by the Northern Ireland Executive to the Arts, Culture and Heritage sectors, as part of a £1.57 billion investment from the UK Government, purposefully designed to protect these world class industries across the UK.

The Council agrees to write to the Communities Minister, Carál Ní Chuilín, in support of the direct allocation of funds to those within these industries who have been most impacted. The Council agrees also to write to the Finance Minister, Conor Murphy, to encourage any further measures that can be taken to support and protect the creative sectors going forward.”

- 3.2 Responses have now been received from both Departments, copies of which are attached.
- 3.3 Mr. J. Ball, Head of Arts Branch, has responded on behalf of the Minister for Communities. He points out that the Minister places great value on the role of arts and culture and that she has been engaging with representatives from across the sector and is fully aware of the significant impact which the Covid-19 restrictions are having on them.
- 3.4 He explains that the Minister welcomes the £29m of funding which had in September been allocated by the Northern Ireland Executive across the arts, language, culture and heritage sectors and the wider creative economy. On 28th October, she allocated the first £3m of that to the Individual Emergency Resilience Programme, which was administered on her Department’s behalf by the Arts Council for NI. This, he points out, has built upon the Department’s earlier investment in the Fund and has allowed for further grants totalling £3.85m to be made to 1,089 people in the sector who contribute significantly to the economy and the lives of many people here. He states that the Programme is open to all those working across the creative economy and in many other categories, and provides examples of those who have benefitted from it.
- 3.5 Mr. Ball concludes by providing details of a series of further allocations from the Executive’s funding package and by confirming that the Minister will announce shortly how the remaining £8m would be distributed.
- 3.6 Minister Murphy, within his response, refers to his lead role in liaising with the Treasury, and addresses also another motion which was passed by Council on 1st October, calling upon the Minister for the Economy to undertake an investigation into how the Job Retention Scheme and the Self-Employment Income Support Scheme could be retained at pre-October 31st levels, including the earmarking of funds to minimise the impact of job losses.
- 3.7 He stresses that he fully recognises the significant pressures which many workers and businesses, including those from the arts and creative industries sector, are facing and which have increased following the introduction by the Executive on 16th October of new restrictions to curb the spread of Covid-19.
- 3.8 He points out that, like the Council, he too is concerned about the shortcomings and gaps in those schemes and that he has raised his concerns directly and repeatedly with the Chancellor, the Chief Secretary to the Treasury and Michael Gove M.P. However, he stresses these are Treasury schemes and, given the extent of the wage support involved and the fact that they are administered via the tax system, only the Treasury can put them in

	<p>place. He adds that the Executive itself has implemented other steps to support those affected by Covid-19 through the rating system and a number of grant schemes which have been established.</p>
3.8	<p>The Minister proceeds to point out that the new Job Support Scheme and an extension to the Self-Employment Income Support Scheme had been announced on 24th September, as part of the Treasury's Winter Economy Plan. There have been further announcements on the Job Support Scheme since then and he refers to the fact that it has been enhanced for businesses which have been forced to close or which have been significantly restricted, known as the JSS Closed. Until November, businesses which have previously used the furlough scheme can continue to do so. However, there are significant concerns that, in the transition between the Coronavirus Job Retention Scheme coming to an end and the Job Support Scheme opening at the start of November, many would not receive the wage support they desperately need. Therefore, he has written to the Chancellor to urge him to bring forward the start of the JSS Closed scheme till 16th October but, disappointingly, he has not heeded that call. As a result, wage support for those new employees who were ineligible under the Coronavirus Job Retention Scheme would not be available until the JSS Closed scheme begins on 1st November.</p>
3.9	<p>In addition, the Chancellor has, on 22nd October, announced some further changes to the JSS Open scheme, where there will now be a reduction in the employer contribution to employee wages and in the time required for an employee to be in work since the scheme was first announced. This, the Minister states, is welcome and will ensure that employees would continue to receive at least 73% of their normal wages, where they earn £3,125 per month or less and where employers will now have to contribute 5% of employees' wages for hours not worked. Further to that, the Chancellor had announced a doubling of payments under the Self-Employment Income Support Scheme extension from 20% to 40% of average monthly profits, up to a total of £3,750, although the Minister recognises that it remains lower than the levels provided previously.</p>
3.10	<p>The Minister, in the concluding paragraph, stresses that the Executive will continue to examine ways in which to support businesses moving forward, including those from the arts and creative industries sector, which he points out have recently received an additional allocation of £29m for cultural recovery. He accepts that there are many businesses who have not benefitted from previous or current support schemes and he has encouraged Executive colleagues to bring forward proposals for those sectors within their area of responsibility, with a view to supporting businesses and protecting livelihoods.</p> <p><b><u>Financial and Resource Implications</u></b></p>
3.11	<p>None associated with this report.</p> <p><b><u>Equality or Good Relations Implications/Rural Needs Assessment</u></b></p>
3.12	<p>None associated with this report.</p>
<b>4.0</b>	<b>Documents attached</b>
	<p>Copies of responses from the Ministers for Communities and Finance.</p>