

# Mayor's Cultural Leadership Board Minutes 21 September 2022

21 September 2022 Hybrid Meeting

## Key information

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## Attendees

### Ambassadors

- Moira Sinclair OBE, Paul Hamlyn Foundation (Chair)
- Justine Simons OBE, Deputy Mayor for Culture and Creative Industries (**Apologies**)
- Ajay Chhabra, Nutkhut
- Alice Black, Creative Industries Representative
- Amy Lamé, Night Czar, Mayor of London's Office
- Bernard Donoghue OBE, Association of Leading Visitor Attractions (ALVA)
- Claire Whitaker OBE, Southampton City of Culture 2025 (**Apologies**)
- Jennifer Crook, Independent Producer (**Apologies**)
- John Newbiggin OBE, Creative Industries Representative (**Apologies**)
- Dr Jo Twist OBE, UK Interactive Entertainment (**Apologies**)
- Pam Alexander OBE, London Legacy Development Corporation
- Sharon Ament, Museum of London (**Apologies** – Notes Sent)
- Stuart Hobley, The Linbury Trust (**Apologies** – Notes Sent)
- Madani Younis, The Shed (**Apologies**)

## **Other attendees**

- Richard Miller for Dianna Neale, London Councils Representative
- Chris McQuiggin, Special Adviser, Mayor of London's Office
- Senior Management and Policy Officers, Culture and Creative Industries Unit

## **Welcome, minutes and outline of meeting**

1. The Chair welcomed everyone to the meeting.
2. Apologies noted as above.
3. The Chair noted that Sharon Ament and Stuart Hobley had sent updates to contribute to Item 1 on the agenda.
4. The Chair stated that the theme of the meeting 'Cost of Living / Cost of doing business' was a change to the scheduled session on 'Young People and Culture' which would be scheduled once the new board members had joined.
5. The items on the agenda were:
  - Item 1 - Cost of Living crisis: the current picture
  - Item 2 - Mayor of London overall response
  - Item 3 - Culture and Creative Industries Unit response
6. There were no declarations of any conflicts of interest regarding any of the items outlined above.

## **Item 1 - Cost of Living crisis: the current picture**

- The Chair handed the floor to an Officer, who summarised the government's activities to support the crisis to date including the Energy Bill Relief Scheme announcement that day. The scheme will provide a discount on wholesale costs for all non-domestic customers from October through to March.
- The government has also:
  - set a supported wholesale price, which is less than half of wholesale prices anticipated this winter, backdated for contracts agreed on or after April

- reduced the price per unit automatically for customers on fixed-price contracts, with customers with default, deemed or variable tariffs also able to receive a discount
  - promised targeted sectoral help after March
  - recognised that shops and pubs as the most vulnerable businesses that will be supported after six months
  - the state will be paying for more than £1 in every £3 of gas consumed
  - the sector, particularly hospitality business, have welcomed the intervention and UK Hospitality has pledged to keep working with the government so there is no cliff edge after March.
- The Chair invited Amy Lamé to share intelligence on the night time economies biggest concerns:
    - One in five hospitality businesses say they will not survive the current crisis. Three in five operators admitted they are no longer profitable.
    - On top of energy price rises, the cost of living crisis will cost an anticipated £25bn loss in trade, likely to result in a 15 per cent drop in employment.
    - Average energy price increases for the hospitality sector of 238 per cent, with more than 70 per cent of businesses seeing bills more than double, and nearly 30 per cent hit with rises of over 300 per cent.
    - Three-quarters of hospitality businesses are being forced to hike prices, more than six in 10 are reducing staff hours, four in 10 are reducing headcount, and half are cutting trading hours. There is a need for long- term solutions such as an employment and skills strategy and to make sure that government schemes are open to all sectors – hospitality is currently excluded from initiatives such as skills bootcamps.
- The Chair read Stuart Hobley's note to the Board:
    - 'Following on so closely from COVID, and Brexit, this is a particular issue for the arts sector (theatre, local live music venues and related hospitality etc...) who have still not recovered. Reserves were used to put COVID measures in place (air filtration, digital infrastructure) some of which will add to utility costs.
    - There is also the added stress of ACE [Arts Council England] Non-Portfolio Organisations (NPOs) decisions which will have further consequences. Trust and foundation funders are alive to the issues and many are already paying uplifts to grants. Lindbury [Trust] are also asking all applicants under assessment how they are planning to manage or respond, and to adjust their budgets accordingly during the crisis.
    - [We] need to be prepared to fund and support less glamorous work that has a lasting cost reduction (new boilers, better lighting, producing information etc) for organisations. No one has budgeted for four years of increased costs.'
- The Chair read thoughts shared by Sharon Ament and opened the floor to members:
    - We need to be communicating that cultural spaces are free 'warm welcoming places'. How can we reinforce that we offer shared workspaces, and encourage visitors and residents to visit? Westminster City Council is doing this.
    - There is also an issue around waste food in the sector. What initiatives can we put in place to make sure that we reduce this?
    - Reducing fuel costs alone will not be enough to support the sector because of the existing issues caused by COVID and Brexit.
    - Many businesses have not been able to trade their way back to where they were before COVID. People will not have the same disposable income and will not spend in the way the sector needs to

recover.

- There is low consumer confidence. Visitors are still prioritising day trips over, for example, subscriptions services but there are signs that people are letting memberships lapse. Association of London Visitor Attractions (ALVA) will share data on this.
- The Heritage Alliance is producing research for Historic England on the impact on heritage. Pam Alexander said there's an opportunity to align research questions.
- Impact on new and regeneration infrastructure is predictable, for example an increase in the cost of materials and construction.
- Some cultural venues are seeing increases in energy bills of between 200 to 900 per cent and are already facing closure or considering job cuts. Some have not been able to secure multi-year energy deals.
- The fear is that not only visitors but volunteers, who make up a large proportion in our cultural and heritage sector, will drop off due to increased costs.
- What about the impact on non-building-based organisations? Do we have any data on the impact on them? Many of them create and deliver the content for larger building-based institutions and organisations and their voice is missing.
- Schools are very internally focussed on providing crisis support for their pupils and staff. Cuts will have an impact on cultural participation and visits to attractions.
- Anyone that is associated with the Mayor of London or the Greater London Authority (GLA) should be paying London Living Wage.
  - The current focus for the London Living Wage panel is hospitality, healthy and social care, the next is the culture sector.
- At this point an AOB was brought forward by Ajay Chhabra who asked what the Mayor's response was to the riots in the Midlands. Christopher McQuiggin confirmed that a statement was due later that day.
- Christopher McQuiggin left the meeting.
- **ACTION:** Share letter with Board from Anne Clarke London Assembly Member to the Mayor with the seven recommendations on how the GLA and the Mayor can support the crisis.
- **ACTION:** Share Association of London Visitor Attractions (ALVA) data with Board.

## Item 2 - Mayor of London overall response

1. The Chair handed the floor to an officer.
2. The officer said that while the Mayor has stated that overall the tools to address the crisis sit with government, he has put the following in place:
  - In total, the GLA is spending more than £80m this year to help Londoners with the rising cost of living. The GLA is also spending £400m this year on skills and employment programmes to support Londoners to find more secure and better paid work.
  - The £80m includes more than £50m to tackle fuel poverty through free energy-efficiency improvements to help Londoners reduce their energy bills. It includes over £20m to improve security for private renters and house Londoners who are rough sleeping or homeless, as well as more than £5m to connect Londoners with welfare advice, and £400,000 to tackle food insecurity.??
  - As part of the Mayor's work on welfare advice, the GLA is funding London Citizens Advice and London Legal Support Trust to increase their capacity to provide in-person support to Londoners. The Mayor has also launched two online hubs to help individuals and businesses get practical resources on energy costs, loans and finance, debt advice and more. The [Cost of Living Hub](#) is

- aimed at individuals. [The Cost of Doing Business Hub](#) is aimed at businesses.
3. The officer then shared the Mayor's current lobbying asks with the Board which include but are not limited to:
    - Extending the two-year household energy freeze to businesses – funded from a windfall tax on energy companies, alongside a Lifeline Tariff to make sure the most vulnerable people receive a basic amount of free energy every day.
    - Giving SMEs more detail about how they will be supported beyond March 2023. Adjust small business rates relief thresholds so that more businesses in London can benefit.
    - Securing a commitment from energy suppliers for no disconnections of households or businesses, or forced installation of prepayment meters this winter.
    - Ending the benefit cap so support can reach all those who need it – the cap undermines the government's own support packages.
    - Reaffirming the commitment to update benefits in line with inflation from April 2023.
    - Devolving powers to London to freeze rents in the private sector, which could save renters an average of £2,988 over two years.
    - Updating local authority budgets to mitigate the impact of inflationary pressures.
  4. The Chair invited members to contribute anything sector specific that they would like the Mayor to lobby government or advocate for.
    - It would really help the sector if the Mayor could advocate for and encourage more pooled funding like London Recovery Fund.
    - Could the Mayor explicitly lobby energy companies, many of whom have their own foundations and ask them to broaden their funding to include small charities?
    - The Mayor should continue to support tourism's ask for a reduction in VAT back to five per cent which, if passed on, will increase consumer confidence but if not will help venues, hotels and visitor attractions to repair that balance sheets. It will be particularly good for London.
    - Is there anything the Mayor can do to encourage funders to subsidise travel costs which often prohibit people from participating in culture?
    - The Mayor should restate the core message of his culture strategy that culture is important.
    - A direct ask of Arts Council England (ACE) to see how they are planning to support NPOs and the cost of living.

## Item 3 - Culture and Creative Industries Unit response

1. The Chair invited Assistant Director, Culture and Creative Industries Unit, to start the next item.
2. The Director stated that these problems couldn't be solved alone but that the Mayor has levers that will help get a better understanding of what is happening through our existing night time and hospitality networks, organisations in our culture at risk network, and through the relationship with boroughs and Arts Council England.
3. Specific programmes or work the Unit is working on include:

The Culture and Community Spaces at Risk programme which is engaging with London's vital cultural and community organisations to understand how the crisis is impacting them now in the coming weeks and months. This data will also look at the compounding impacts to minority-led organisations serving underrepresented groups who were particularly vulnerable coming out of the pandemic. The programme is

surveying organisations to gather more information on how the crisis is impacting cultural businesses.

The Unit is surveying borough culture officers to assess the impact of the cost of living or doing business crisis on the cultural sector across the capital and to identify the current level of support offered by councils.

The Night Time Enterprise Zones (NTEZ) programme will help businesses in three boroughs by increasing footfall and extending trading hours.

The Business Friendly Licensing Fund will fund pilot projects in several boroughs to make licensing policies and processes more business friendly. The objective is to help businesses save time and money.

The Unit has partnered with Arts Council England to commission sustainability specialists, Buro Happold and Renew Culture, to produce guidance and a tool which creates bespoke sustainability plans. This will support cultural premises to move towards net zero carbon. Although investment is required to make large scale changes, small, low investment changes can make a difference to energy costs.

The Creative Enterprise Zones (CEZ) [Sustainability Fund was launched last week](#). This is a £1.2m fund to support local authorities with zones to become more sustainable as they try to deal with the pressure of rising energy bills.

The Unit is also working closely with other GLA policy teams on the cost of living crisis – it is likely that the current Cost of Living working group will expand to include the 'Cost of Doing Business'.

The Unit is liaising with stakeholders for example: Night Time Industries Association (NTIA), UK Hospitality and Arts Council England (ACE), to assess the latest data on impacts on organisations and business and share data on risk across the GLA.

4. The Chair opened the floor to the Board and guests for any comments and questions:

**Is there any opportunity for Ambassadors to have conversations with borough officers?**

Yes. An officer invited Board members to attend the quarterly Borough Officer meetings.

**Could any of the research being conducted by the Unit consider the impact on volunteers and volunteering?**

An officer stated that a question could be included in the Culture and Community spaces at risk survey. A Senior Manager later confirmed that a question would be included.

Bernard Donoghue offered to share the survey questions that the Association of Leading Visitor Attractions (ALVA), Night Time Industries Association (NTIA), UK Hospitality and others are formulating with the Unit.

## **Any other business (AOB)**

1. The Board were updated on the progress of the recruitment of members. Once all candidates complete the reference stages, the intention was to have the new members inducted by the end of the year and join in time for the January 2023 meeting.
2. The Chair closed the meeting.

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