

Dafydd Elis-Thomas

Deputy Minister for Culture, Sport and Tourism

Welsh Government

Dyddiad | Date: 20 October 2020

Pwnc | **Subject:** Cultural Recovery Fund Freelancer Grant scheme.

Dear Dafydd,

The Culture, Welsh Language and Communications Committee recently held a stakeholder workshop with the arts sector, exploring the continued impact of the pandemic on their activity. The Committee was very concerned to hear stakeholders' experiences of applying for funding under the Cultural Recovery Fund Freelancer Grant scheme.

The Committee heard that these funds were distributed by local authorities on a first-come, first-served basis, and were heavily over-subscribed. This meant that applicants were less likely to receive funding if their circumstances precluded them from applying online when the fund went live. We heard of people facing barriers to apply, including poor internet connections, childcare commitments and digital literacy. We also heard that the application process did not take account of the different levels of need among applicants.

The pandemic has had a disproportionate impact on more vulnerable members of our society. We are very concerned to see this effect compounded in the distribution of funding intended to alleviate economic hardship in a sector that has been hit so hard by the crisis. These concerns were raised in the media following the first round of funding earlier this month.

I would be very grateful if you could tell the committee:

- Has your department issued guidance to local authorities (who are distributing this scheme) to reflect the concerns raised following the first round of funding?
- What steps have been taken to improve the equitable distribution of the second round of the Cultural Recovery Fund Freelancer Grant scheme?
- How is applicants' need assessed in the application process? Has this been improved in the second round of distribution?
- Will the Welsh Government increase the size of the Cultural Recovery Fund Freelancer Grant scheme in recognition of the scale of demand? (on 17 September you told the Committee that the current size of the Fund is "not sufficient")



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If your department has not taken any of the steps outlined above to improve the distribution of the second round, I would call on you to do so as a matter of urgency.

The Committee welcomes the Welsh Government's work to support culture through the pandemic, and looks forward to continuing to engage positively with you on these issues.

Yours sincerely,

A handwritten signature in black ink that reads "Helen Mary Jones". The signature is written in a cursive style.

Helen Mary Jones MS

Chair of the Culture, Welsh Language and Communications Committee



Yr Arglwydd Elis-Thomas AS/MS
Y Dirprwy Weinidog Diwylliant, Chwaraeon a Thwristiaeth
Deputy Minister for Culture, Sport and Tourism



Llywodraeth Cymru
Welsh Government

Helen Mary Jones MS
Chair
Culture, Welsh Language and Communications
Committee

15 December 2020

Dear Helen,

CULTURAL RECOVERY FUND FREELANCER GRANT SCHEME

Thank you for your letter of 20 October requesting further information on the Cultural Recovery Fund freelancer fund.

We launched the £53 million Cultural Recovery Fund in September in response to the incredibly difficult circumstances being faced by the cultural and creative industries at this time. We are aware of the impact the COVID-19 pandemic is having on the ability of individuals and freelancers in these sectors to find work. We set aside £7 million from the Fund to support freelancers impacted by loss of work that have fallen through the gaps of wider support, including UK Government funding. The fund has been well received by stakeholders and has already supported and paid more than 2,000 freelancers across Wales. My officials are working with local authorities to confirm final payments to freelancers supported through the first two phases.

The Welsh Government worked in partnership with stakeholders including unions, local authorities and freelancers to design a fund for freelancers that could be delivered quickly to provide support to those in urgent need. We took action to ensure as many freelancers as possible were aware of the support and able to benefit from this grant. We are aware that, despite the measures we introduced to support an inclusive approach to the distribution of funding, some of those who were unable to receive support were left frustrated by the process.

As you note in your letter, the Welsh Government was always aware that demand was likely to exceed availability of funding, but the sheer scale of demand in some areas of Wales has been unprecedented. In recognition of the huge levels of demand for this support, we are committing an additional £3.5 million to the freelancer fund, taking the total amount targeted

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

at freelancers to £10.5 million. This next phase of funding will launch at 10am Monday 23 November. We are currently working with stakeholders to agree an equitable approach to the allocation of this additional amount and to ensure phase three is communicated as widely as possible.

Set out below are responses to the additional questions raised in your letter.

Has your department issued guidance to local authorities (who are distributing this scheme) to reflect the concerns raised following the first round of funding?

Creative Wales has been working in partnership with local authorities throughout, to design the process, agree standardised documentation and set out a consistent approach to appraisal of applications received. Fund guidance and a set of frequently asked questions was produced in agreement with local authorities and published on the Welsh Government website prior to launch of the fund.

Officials from Creative Wales hold regular meetings with representatives from all 22 local authorities to share information, provide feedback from wider stakeholders and agree any changes needed to the delivery of the fund.

This level of engagement will continue into the third phase of funding, and conversations have already started with local authorities, creative unions and representatives from the Wales Freelance Taskforce to reflect on delivery of the fund to date and identify areas for improvement.

What steps have been taken to improve the equitable distribution of the second round of the Cultural Recovery Fund Freelancer Grant scheme?

The methodology for allocating the £7 million was discussed with stakeholders prior to launch, where it was agreed that the first half of the funding would be allocated equally, with the second half apportioned across local authority areas based on available data on the number of self-employed in each area. This is consistent with the approach taken for allocating funding through the recent Welsh Government Start-Up Grant Scheme and ensured an increased amount for local authorities such as Cardiff, who have a higher number of self-employed living in their area. In response to the significant demand for funding in Cardiff identified in phase one, we also reallocated funding from local authorities with less demand during that phase, enabling a further 150 freelancers in Cardiff to receive a grant in phase two, over and above the agreed phase two allocation.

The fund has been delivered using a phased approach, at the request of stakeholders, to help to mitigate accessibility issues and to give freelancers more time to prepare to apply. We introduced measures to support those with access issues to apply for funding, and following feedback from phase one, we strengthened these in readiness for phase two. This included an email and telephone contact point for those with issues accessing the internet or with completing the application. The application form and guidance document has been made available as easy read versions.

We communicated details of the fund widely prior to launch, including through the Welsh Government and Business Wales websites and communications channels, through social media and by asking our stakeholders including unions to raise awareness, for example with their members. Again, in response to concerns that the time of launch was not set out clearly enough in our communications for phase one, we ensured the date and time of launch of phase two was clear in all messaging. Our communications on the fund stressed that only those in greatest need of support should apply for funding.

How is applicants' need assessed in the application process? Has this been improved in the second round of distribution?

The application process for the fund was designed to be as clear and straightforward as possible to minimise the burden on applicants. During the development of the fund, stakeholders, including the freelancer community, highlighted challenges around freelancers providing evidence of loss of earnings. As a result, the process does not request that applicants provide detailed evidence and proof of loss of work to a particular level. This has meant it has not been possible for local authorities to prioritise applications against one another based on level of need. With a finite amount of funding available, the alternative has been a first come first served process, which has resulted in those that responded to the call for applications more quickly receiving support.

Level of need has been considered by targeting the fund at freelancers who did not benefit from the Start Up Grant launched by Welsh Government in June, and those who are not working in roles that have been able to continue at previous or near previous levels of activity.

I hope you find this further information helpful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Yr Arglwydd Elis-Thomas'.

Yr Arglwydd Elis-Thomas AS/MS

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