

Hon Carmel Sepuloni

Minister for Arts, Culture and Heritage

Proactive release of Cabinet Material: Reprioritisation of existing Cultural Recovery Package funding to continue support to the arts, culture and heritage sectors

17 February 2023

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Title: Reprioritisation of existing Cultural Recovery Package funding to

continue support to the arts, culture and heritage sectors

Author: Manatū Taonga Ministry for Culture and Heritage

These documents have been proactively released by the Minister. This package includes the Cabinet paper and other key decision papers, as listed below.

Cabinet Social Welfare Committee paper "Reprioritisation of existing Cultural Recovery Package funding to continue support to the arts, culture and heritage sectors"

Minutes of Decision CAB-22-MIN-0602

Cabinet Committee minute SWC-22-MIN-0253

Some parts of this response would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the OIA). Where this is the case, the relevant sections of the OIA that would apply have been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Section 9(2)(f)(iv) Information has been withheld to maintain the constitutional conventions which protect the confidentiality of advice tendered by Ministers of the Crown and officials.

Section 9(2)(b)(ii) Information has been withheld as its release would be likely to unreasonable prejudice the commercial position of the person who supplied or who is the subject of the information.

Budget Sensitive

Office of the Minister for Arts, Culture and Heritage

Cabinet Social Wellbeing Committee

Reprioritisation of existing Cultural Recovery Package funding to continue support to the arts, culture and heritage sectors

Proposal

- 1. This paper seeks agreement to reprioritise, this financial year, up to \$25 million of funding appropriated as part of the Government's COVID-19 Recovery Fund to Vote Arts, Culture and Heritage (Covid-19 Cultural Sector Response and Recovery appropriation) to enable the continued recovery of the arts, culture and heritage (ACH) sector from the ongoing impacts of COVID-19.
- 2. This paper also seeks agreement to extend the current settings of the Screen Production Recovery Fund to enable productions to continue past 31 January 2023.

Relation to government priorities

3. This proposal aligns with the Government's goals to accelerate our recovery and rebuild from the impacts of COVID-19.

Executive Summary

- 4. The arts, culture and heritage (ACH) sector is a key pillar of Aotearoa New Zealand's economy and plays an important role in supporting the wellbeing of New Zealanders. The Government has invested nearly half a billion dollars in the sector to support it through COVID-19, the largest investment in our history. The way we have delivered this support has evolved over time as matters such as new variants required changes to our COVID-19 response.
- 5. Budget 2020 provided targeted investment to the ACH sector to recover from COVID-19 and maintain its critical role and contribution to Aotearoa New Zealand. \$374 million was put towards the Cultural Recovery Package (CRP), to support the sector over four years. The purpose of the fund is to ensure that the sector not only survives it adapts and thrives.
- 6. In response to the impacts of the COVID-19 Delta outbreak, \$37.5 million was reprioritised from across the three funds within the CRP to establish the Cultural Sector Emergency Relief Fund (CSERF) and the Arts and Culture Event Support Scheme (ACESS). In February 2022, we expanded these initiatives with \$121 million in new funding to make them more responsive to the impacts of restrictions during the COVID-19 Omicron outbreak.
- 7. The ACH sector has survived and is recovering from the impacts of COVID-19. Although the potential for demand on supports like CSERF and ACESS has lessened with the retiring of the COVID-19 Protection Framework (CPF), the

- significant impact the pandemic has had on the sector means this recovery remains fragile.
- 8. To ensure the ACH sector can continue to adapt and go on to thrive, I am seeking Cabinet agreement to reprioritise, this financial year, up to \$25 million from within Vote Arts, Culture and Heritage to quickly address ongoing need and help rebuild confidence in the sector.
- 9. Initiatives funded through this reprioritisation will use existing funding mechanisms to get additional support out to artists, ACH organisations, projects and events still dealing with the long tail of COVID-19. Following Cabinet agreement to the reprioritisation, I intend to make announcements in January 2023 and again around Waitangi Day in 2023.
- 10. This paper also proposes to extend the settings for the Screen Production Recovery Fund, by extending the end date of the fund out from 31 January 2023 to 30 June 2023, and including productions by Te Mangai Pāho.
- 11. This change aligns the duration of COVID-19-related support for the screen sector with other supports across the ACH portfolio. These changes will provide continued certainty for productions and their financiers, to continue production over the peak summer filming period.

Background

- As part of Budget 2020, and in recognition of the significant effects of COVID-19 on artists, performers and creators, the Government invested \$374 million into the ACH sector through the CRP. [CAB-20-MIN-0219.03]
- 13. This investment enabled the ACH sector to survive, provided confidence, and created forward-looking opportunities to adapt and thrive. Funding mechanisms were effective in the initial stages of the COVID-19 response at getting money out to the sector quickly, to support survival of the sector, and enabling parts of the sector to adapt to online interactions and platforms.
- 14. Our shift away from the elimination strategy, the introduction of the CPF and the arrival of Omicron changed the needs of the sector. In response to the Alert Level 4 changes in August 2021 and to be responsive to the ACH sector's immediate viability needs and longer-term concerns around confidence for future activity, I reprioritised \$37.5 million from the CRP to establish a package, including CSERF and ACESS, which helped mitigate the impact of COVID-19 restrictions on artists, arts and cultural organisations and events.
- Then, in January 2022, Cabinet agreed to allocate \$121.243 million from the Covid Response and Recovery Fund to extend support for organisations and individuals in the ACH sector impacted by the CPF Red setting restrictions. [CAB-22-MIN-0009]
- 16. The diagram below provides an overview of funding decisions to date:

April 2020: Original Cultural Recovery Package

Cabinet agreed to a \$374 million package, the Qultural Recovery Package to support the sector, funded until 30 June 2023. The framework for this funding was Qurvive, Adapt, and Thrive Cabinet approved the broader framework, with the Minister for Arts, Culture and Heritage able to approve the specific initiatives within the framework [CAB-20-MIN-0219.03].

September 2021: Reprioritisation of the original Cultural Recovery Package to response to Delta

The Minister for Arts, Culture and Heritage agreed to bring-forward \$37.5 million from the Cultural Recovery Package to enable an emergency response for the arts, culture and heritage sector. Initiatives that were planned from the Inivecelement were redesigned to respond to the Inivecelement need. The Minister for Arts, Culture and Heritage was able to make these decisions within the broader Cultural Recovery Package framework, and within the agreed timeframe (30 June 2023).

December 2022: Further reprioritisation of the Cultural Recovery Package

Agreement is sought to reprioritise up to \$10 million from the initiatives within the Delta packages to support the Qurvive and Adaptolehments – many participants in the sector are experiencing the ongoing impact of COVID-19. The planned initiatives are still within the Qurvive, Adapt and Thriveoframework, and 30 June 2023 timeframe.

January 2022: Cabinet agreed to new funding to respond to Omicron

The nationwide move to the ced level of the Covid Protection Framework had a significant effect on the arts, culture and heritage sector. To mitigate these significant impacts Cabinet approve \$122,243 million in new funding to enable extension and expansion of the support offered through the existing programmes [CAB-MIN-22-0009].

December 2022: Agreement to reprioritise the funding to respond to Omicron

Agreement is sought to reprioritise up to \$15 million from the Omicron funding to target those in the sector still experiencing the adverse impacts of COVID-19. Given this was new funding, Cabinet agreement is needed to any change (NB \$36 million has already been returned to the Centre).

Cabinet agreement sought for the \$25 million reprioritisation package

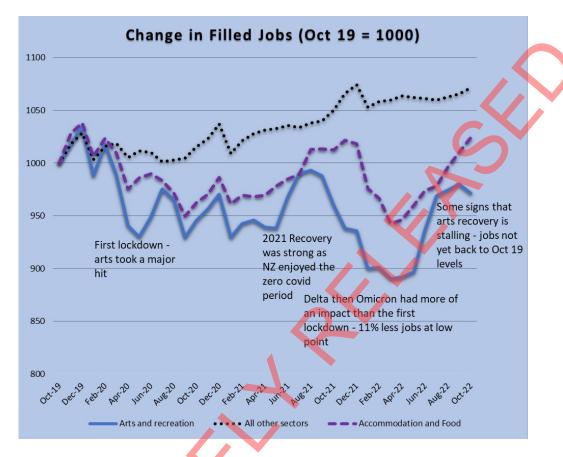
Together these two streams of funding seek up to \$25 million to continue to respond to the need for support for the arts, culture and heritage sectors - for transparency the Minister for Arts, Culture and Heritage is including all funding requests in one package.

COVID-19 is continuing to impact the arts, culture and heritage sector

Rising costs and declining cultural participation are still impacting artists

- 17. Similar to previous reprioritisations in 2021 and early 2022, this proposal aims to pivot the Government's COVID-19 support for the arts and culture sector to respond to a new set of challenges. It aligns with the original intent of the CRP funding to ensure the sector not only survives but also adapts and thrives, and will utilise already existing mechanisms to enable the benefits of our investment to meet the needs of the sector this financial year, before the winter of 2023.
- 18. There are significant challenges to the creation of cultural goods and cultural participation in the next 12 to 24 months. While the ACH sector is continuing to

recover from the impacts of COVID-19, the significant impact the pandemic has had on the sector means this recovery remains fragile, as highlighted by the chart below taken from Statistics NZ data.



- 19. The ACH sector's reliance on public participation meant that COVID-19 restrictions had a disproportionate impact on initial job losses. Economic modelling showed that the ACH sector would be hit twice as hard as the whole economy at various COVID-19 settings and could only operate at half (46%) its normal capacity in a full lockdown. While the sector subsequently enjoyed a strong recovery during the 'zero-COVID-19' period, the Delta and Omicron outbreaks had an even greater impact on the sector than the original outbreak.
- 20. While other sectors have experienced a steady recovery following the removal of the CPF, the recovery of the ACH sector appears to be stalling and it is continuing to operate below capacity. This is understood to be a consequence of increasing hourly wage rates due to the tightening labour market, uncertain demand, some loss of talent from the sector during COVID-19, and increased operating costs, including transportation and venue hire.
- 21. Unlike other sectors, organisations operating in the ACH sector are not able to increase prices to meet these costs, as consumers are increasingly restricting discretionary spending, including cultural sector goods and services. Recent research by Manatū Taonga has found that "a lack of spare money" is now the most cited factor (26%) that would prevent New Zealanders participating in arts, culture and heritage experiences in person ahead of COVID-19 concerns and

- all other factors¹. Reduced discretionary spending is expected to persist for the next 12 months at least.
- 22. This is particularly challenging for the ACH sector in the context of flat and in some areas, declining cultural participation rates. Between 2017 and 2021 cultural participation fell considerably as follows:

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Cultural activity participation	2017 General Social Survey	2021 General Social Survey
in the last 12 months		
Attended a community event	57%	49%
_		
Attended live music	48%	40%
Attended musical, dance or	43%	34%
theatre performance		
·		
Attended art gallery or	48%	42%
museum		
Attended the movies	68%	46%
L		

- 23. Our recent cultural participation research over a more focused time period in 2020 and 2022 shows that participation has not fully recovered or thrived despite expectations of increased participation after 2020.
- 24. Reduced discretionary spending will disproportionately impact low-income New Zealanders who already have significantly lower rates of cultural participation. In the 2022 cultural participation research, people who reported that they have just enough to pay for the essentials were more than twice as likely (34%) to report that lack of spare money was a barrier to in-person participation than people who had plenty of money left over after essentials were covered (14%).
- 25. Ultimately, these twin pressures on creative professionals and consumers are negatively reinforcing. Rising costs on the supply side will continue to dampen audiences and this in turn creates financial risk to creators, putting pressure on the supply of these goods and experiences and risking the viability of creative employment, which further reduces opportunities for New Zealanders to access and participate in the ACH sector.
- 26. Consequently, there is strong evidence to support the reprioritisation of this existing funding to strengthen the recovery of artists, practitioners and arts and cultural organisations from COVID-19 by providing recipients with additional short-term financial support through its long tail, ensuring New Zealand's arts and culture remains available and accessible for all New Zealanders in future.

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¹ Manatū Taonga Survey: New Zealanders' Cultural Participation in 2022, Including the Impacts of COVID

Continued support for the arts, culture and heritage sector as it recovers from the impacts of COVID-19

- 27. Approximately \$40.000 million of the grant funding managed by Manatū Taonga is so far uncommitted to the end of June 2023. This relates to initiatives providing support for which eligibility was linked to events not going ahead and/or COVID-19 restrictions, which have lessened with the retiring of the CPF.
- 28. I have already returned \$36 million in CRP funding to the centre to date (at 30 June 2022). However, as described above, there remains severe ongoing survival needs across the ACH sector in the short-term, with many in the sector having depleted their financial (and creative) reserves.
- 29. I propose to reprioritise up to \$25.000 million in uncommitted COVID-19 funding to address these short-term needs, supporting artists, ACH organisations, projects and events still dealing with the long tail of COVID-19. The remaining \$15.000 million will be returned to the centre.
- 30. The proposed reprioritisation will fund initiatives across the ACH sector that utilise existing delivery mechanisms to get support out quickly to address residual ongoing need and help rebuild the confidence of a sector that is still experiencing the impacts of COVID-19.
- 31. A summary of proposed reprioritisation within Vote Arts, Culture and Heritage is at Appendix One.

Support for Creative New Zealand to continue to deliver grants funding

- 32. The package I am intending to announce in January will provide \$12.000 million with a focus on support for artists, and a further \$10.000 million for existing and established festivals still dealing with the long tail of COVID-19. Both of these initiatives will be funded through Creative New Zealand (CNZ).
- 33. CNZ drew down its reserves to provide emergency grants to the sector during the pandemic. However, due to the ongoing effects of COVID-19, discussed in detail above, there is still a significant over-subscription to grants funding this year with no funding in reserve to enable CNZ to increase grants to meet demand. In CNZ's most recent December Arts Grant round, announced last week, its 250-application cap was reached in the fastest time on record and only 63 of 239 eligible applications (26%) were successful.

34. 9(2)(f)(iv)

I am proposing to reprioritise \$12.000 million to CNZ to support artists and arts organisations through the long tail of COVID-19 by funding its February grants round and/or ensuring it can continue to meet the heightened level of need from artists across grants rounds in early to mid-2023.

35. ^{9(2)(b)(ii)}

9(2)(b)(ii)

- 36. This funding will help CNZ to respond to the continued demand for funding and smooth the sector's transition from higher levels of funding as part of CNZ's COVID-19 response towards its mid-term funding strategy, to develop a resilient and sustainable arts sector. As part of this, CNZ has initiated a review of its grants funding model and will work with the ACH sector to co-design new ways of working in the New Year.
- This funding can be rapidly delivered to the sector through the existing grants rounds CNZ has in place. I intend to announce this funding in early January to enable CNZ to fund the February grants round.

Support for festivals

I also propose to provide \$10.000 million to CNZ to fund established festivals in 2023. 9(2)(f)(iv)

- 39. COVID-19 resulted in wide-scale cancellations and postponements of festivals across the country that celebrate the life experiences, stories, cultures and regional identities of New Zealanders. There is no dedicated ongoing funding for these festivals and pressure to secure funding in the COVID-19 environment continues to prove challenging for festival organisations.
- 40. Festivals vary in maturity and many have a lack of robust systems and reserves that mean festival organisers rely on sponsorship and stallholders' fees year on year to break even. Since 2021, organisers have reported sponsors pulling out of festivals due to concerns that the value of their sponsorship would not be realised. This risk remains as long as COVID-19 persists.
- Without sponsorship organisers could look to recoup lost revenue by increasing stallholder fees. However, it is unlikely that these stallholders, many of whom have suffered financial losses because of festival postponements as a consequence of COVID-19, would be able or willing to meet increased costs at a time when they are also subject to increasing inflationary pressures and ongoing uncertainty due to the long tail of COVID-19.
- In addition, previous research into Auckland's Pasifika Festival has shown that for many stallholders, having a stall is primarily an opportunity to participate in the festival, rather than for commercial gain.² Consequently, an increase in stallholder fees could create a barrier to participation for individuals, at a time when opportunities for individuals and communities to come together have been limited in recent years by the impacts of COVID-19.
- 43. This funding would provide surety for festival organisers to plan and host festivals in 2023. This will build confidence as New Zealanders adjust to

² Tina Buch, Simon Milne & Geoff Dickson (2011) Multiple Stakeholder Perspectives on Cultural Events: Auckland's Pasifika Festival, Journal of Hospitality Marketing & Management, 20:3-4, 311-328

changing COVID-19 environments; it will protect and grow access to, and participation in arts, culture, and heritage for New Zealanders; and create more job and career pathway opportunities across the ACH ecosystem.

Supporting the Waitangi National Trust to respond to the effects of the long tail of COVID-19

- 44. COVID-19 has also exacerbated existing risks to vulnerable mātauranga and taonga and impacted the capacity of Māori organisations to support important cultural events for Māori and all New Zealanders.
- 45. I propose \$3.000 million to support the Waitangi National Trust Board through the ongoing impact of COVID-19 disruptions to travel and tourism.
- 46. While visitor numbers to the Waitangi Treaty Grounds are gradually increasing, thanks in part to the return of cruise liners to the Bay of Islands, (2)(5)(0)
- 47. The amount of funding I am proposing represents a further modest contribution in funding for the Trust as it continues to recover from COVID-19. This funding will ensure that the Trust can maintain access to the Treaty Grounds for all New Zealanders. I am intending to announce this around Waitangi Day 2023.

The settings for the Screen Production Recovery Fund will be extended to enable productions to continue throughout early 2023

- 48. I also propose to extend the settings for the Screen Production Recovery Fund, by extending the end date of the fund out from 31 January 2023 to 30 June 2023, and by including productions by Te Māngai Pāho within the scope. This change aligns the duration of support for the screen sector with funding support across the ACH portfolio.
- 49. Although productions have adjusted to absorbing COVID-19 daily protocols into their working budgets, they are not able to insure against key cast and crew getting COVID-19. If they contract COVID-19, they are required to self-isolate for seven days. This puts filming at risk over this period, depending on the role of the individual and how long the shoot must shut down.
- 50. Productions of scale are most vulnerable to this. 9(2)(5)(ii)
- These changes will ensure the availability of Screen Production Recovery Fund funding through the New Zealand Film Commission, NZ On Air and Te Māngai Pāho provides continued certainty for productions and their financiers, to continue production over the peak summer filming period through to 30 June 2023.

52. There is \$25 million funding available for this initiative in 2022/23. Current forecasts show sufficient funding available to allow for these changes to take place, and I am therefore not seeking any further funding for this initiative at this time. Any unspent funding is to be returned to the centre after 30 June 2023.

Financial Implications

- 53. This proposal has limited financial implications, as it is reprioritising funds that already sit within the Vote Arts, Culture and Heritage appropriation.
- 54. Funding for each of the initiatives will be on a one-off basis, to smooth the long tail of COVID in the ACH sector. Manatū Taonga will advise recipients that further financial assistance should not be expected as a matter of course.
- 55. The approach proposed is a short-term response to a situation that requires prompt action to provide short-term surety to recipients, and to encourage further enhancement of capability and capacity within the sector.
- 56. To support the ACH sector in the longer-term, Manatū Taonga is considering broader funding needs to drive strategic shifts in the sector and deliver funding in a manner that meets the needs of artists, performers, creators and communities.

Legislative Implications

57. There are no legislative implications from the proposals in this paper.

Impact Analysis

Regulatory Impact Statement

58. The proposals in this paper do not require a regulatory impact statement.

Climate Implications of Policy Assessment

59. The proposals in this paper do not require a climate implications assessment.

Population Implications

- 60. The proposed initiatives will use existing delivery mechanisms to fund artists, arts, culture and heritage practitioners and organisations, and iwi, hapu and Maori communities, across New Zealand.
- 61. While these funds and the mechanisms for delivering them are not specifically targeted to Māori, Pacific, or rural communities, CNZ will take equity and geographic spread into consideration in their administration.

Human Rights

62. There are no inconsistencies between the proposals in this paper and the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993.

Consultation

- 63. This proposal has been discussed with the Ministers of Finance and Broadcasting and Media, and Associate Minister for Arts, Culture and Heritage.
- 64. The Treasury has been consulted on the proposed reprioritisation. Given these proposals are fiscally neutral, Treasury does not oppose this paper.

Communications

65. Following Cabinet's agreement to the proposals in this paper, I intend to announce the package of support for artists, arts organisations and events dealing with the long tail of COVID-19 in early 2023. I am exploring how any announcement might coincide with Waitangi Day announcements.

Proactive Release

66. I intend to release this paper in accordance with Cabinet Office circular Proactive Release of Cabinet Material: Updated Requirements [CO (18) 4].

Recommendations

- 67. The Minister for Arts, Culture and Heritage recommends that Cabinet:
- note that Cabinet agreed to make \$374 million available to the ACH sector through the Covid Recovery Package as part of Budget 2020 [CAB-20-MIN-0219.03];
- 2 note that Cabinet agreed to allocate a further \$121.243 from the Covid Response and Recovery Fund for ACH organisations and individuals impacted by the Covid Protection Framework [CAB-22-MIN-0009];
- 3 note that the ACH sector's recovery from COVID-19 remains fragile, with many stakeholders still not operating at full capacity or capability and with depleted financial reserves;
- 4 **note** that \$36 million of uncommitted funding from the Covid Recovery Package that was under the management of Manatū Taonga has been returned to the centre already;
- note that approximately \$40 million of grant funding from the Covid Recovery Package that is managed by Manatū Taonga remains uncommitted;
- 6 **approve** the reprioritisation of up to \$25 million of uncommitted funding within Vote Arts, Culture and Heritage in FY2022/23 to support artists, ACH organisations, projects and events still dealing with the long tail of COVID-19;
- 7 note that the remaining \$15 million of uncommitted funding from the Covid Recovery Package that was under the management of Manatū Taonga will be returned to the centre:

- 8 **note** this reprioritisation is within a single appropriation so there are no financial implications, and no operating balance or net core Crown debt changes;
- 9 **note** that, following Cabinet's approval, I intend to publicly announce individual funding initiatives in January 2023 and around Waitangi 2023;
- note that this funding will be provided to recipients on a one-off basis, and that further funding should not be expected as a matter of course;
- approve the extension of the Screen Production Recovery Fund to 30 June 2023 to align the duration of the support with other funding support;
- 12 **approve** the inclusion of Te Māngai Pāho productions within the Screen Production Recovery Fund.

Authorised for lodgement

Hon Carmel Sepuloni

Minister for Arts, Culture and Heritage

BUDGET SENSITIVE

APPENDIX ONE: Proposed Reprioritisation within Vote Arts, Culture and Heritage

Announcements for January 2023

Support for Creative New Zealand to continue to deliver grants funding: \$12.000m

Case for funding: this funding will enable Creative New Zealand to support artists and arts organisations through the long tail of COVID-19 by funding its February grants round (or increasing total funding across grants rounds in early to mid-2023). Creative New Zealand drew-down its reserves to provide emergency grants to the sector

9(2)(f)(iv)

tunding and smooth the sector¶s transition from higher levels of funding as part of Creative New Zealand¶s COVID-19 response towards its mid-term funding strategy, including developing a resilient and sustainable arts sector.

Support for festivals: \$10.000m

Case for funding: this funding will enable Creative New Zealand to create a one-off contestable fund to support Cultural Festivals for communities that continue to be impacted by the effects of COVID-19 in 2023 (\$10.000m). This funding will improve access and participation and enhance employment and skill development opportunities for communities in the arts and culture sectors.

COVID-19 resulted in wide-scale cancellations and postponements of festivals across the country that celebrate the diverse life experiences, stories, and cultures in New Zealand through creative and cultural experiences. Pressure to secure funding in the COVID-19 environment has proven challenging for festival organisers, who are heavily reliant on sponsorship to break even.

This funding provides surety for festival organisers to plan and host festivals in 2023; ease pressure on securing funding while they focus on building capability for their long-term sustainability; and provide participants, performers and communities with greater confidence amidst the ongoing uncertainty caused by the long tail of COVID-19.

Waitangi National Trust Board funding: \$3.000m

Case for funding: this funding will support Waitangi National Trust Board through the ongoing impact of COVID-19 disruptions to travel and tourism, protect the Treaty Grounds and taonga, and continue its journey towards financial sustainability. Cruise liners have started to return to the Bay of Islands, and visitor numbers are gradually starting to increase. The amount sought represents a downwards trend in funding for the Trust as it continues to recover from COVID-19.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Reprioritisation of Existing Cultural Recovery Package Funding to Continue Support to the Arts, Culture and Heritage Sectors

Portfolio Arts, Culture and Heritage

On 19 December 2022, following reference from Cabinet Social Wellbeing Committee, Cabinet:

- noted that in Budget 2020, Cabinet agreed to make \$374 million available to the Arts, Culture and Heritage (ACH) sector through the COVID-19 Response and Recovery Fund package [CAB-20-MIN- 0219.03];
- 2 noted that in February 2022, Cabinet agreed to allocate a further \$121.243 from the COVID-19 Response and Recovery Fund for ACH organisations and individuals impacted by the COVID-19 Protection Framework [CAB-22-MIN-0009];
- 3 noted that the ACH sector's recovery from COVID-19 remains fragile, with many stakeholders still not operating at full capacity or capability and with depleted financial reserves;
- 4 **noted** that \$36 million of uncommitted funding from the COVID-19 Recovery Package that was under the management of Manatū Taonga has been returned to the centre already;
- 5 **noted** that approximately \$40 million of grant funding from the COVID-19 Recovery Package that is managed by Manatū Taonga remains uncommitted;
- approved the reprioritisation of up to \$25 million of uncommitted funding within Vote Arts, Culture and Heritage in FY2022/23 to support artists, ACH organisations, projects and events still dealing with the long tail of COVID-19;
- 7 **noted** that the remaining \$15 million of uncommitted funding from the COVID-19 Recovery Package that was under the management of Manatū Taonga will be returned to the centre;
- 8 **noted** that the funding in paragraph 6 above is within a single appropriation so there are no financial implications, and no operating balance or net core Crown debt changes;
- 9 noted that, following Cabinet's approval, the Minister for Arts, Culture and Heritage intends to publicly announce individual funding initiatives in January 2023 and around Waitangi 2023;
- 10 noted that the above funding will be provided to recipients on a one-off basis, and that further funding should not be expected as a matter of course;

5:07:00 BUDGET : SENSITIVE

CAB-22-MIN-0602

approved the extension of the Screen Production Recovery Fund to 30 June 2023 to align the duration of the support with other funding support;

approved the inclusion of Te Māngai Pāho productions within the Screen Production Recovery Fund.

Rachel Hayward Secretary of the Cabinet

SWC-22-MIN-0253



Cabinet Social Wellbeing Committee

Minute of Decision

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Reprioritisation of Existing Cultural Recovery Package Funding to Continue Support to the Arts, Culture and Heritage Sectors

Portfolio Arts, Culture and Heritage

On 14 December 2022, the Cabinet Social Wellbeing Committee:

- noted that in Budget 2020, Cabinet agreed to make \$374 million available to the Arts, Culture and Heritage (ACH) sector through the Covid-19 Response and Recovery Fund package [CAB-20-MIN-0219.03];
- 2 noted that in February 2022, Cabinet agreed to allocate a further \$121.243 million from the Covid Response and Recovery Fund for ACH organisations and individuals impacted by the Covid Protection Framework [CAB-22-MIN-0009];
- 3 noted that the ACH sector's recovery from COVID-19 remains fragile, with many stakeholders still not operating at full capacity or capability and with depleted financial reserves;
- 4 **noted** that \$36 million of uncommitted funding from the Covid Recovery Package that was under the management of Manatū Taonga has been returned to the centre;
- noted that approximately \$40 million of grant funding from the Covid Recovery Package that is managed by Manatū Taonga remains uncommitted;
- authorised the Prime Minister, Minister of Finance, and Minister for Arts, Culture and Heritage to take decisions on any reprioritisation of the uncommitted funding noted in paragraph 5 above;
- approved the extension of the Screen Production Recovery Fund to 30 June 2023 to align with the duration of the support with other funding support;

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8 **approved** the inclusion of Te Māngai Pāho productions within the Screen Production Recovery Fund.

Rachel Clarke Committee Secretary

Attendance (see over)

SWC-22-MIN-0253

Present:

Rt Hon Jacinda Ardern Hon Kelvin Davis

Hon Dr Megan Woods

Hon Chris Hipkins

Hon Carmel Sepuloni (Chair)

Hon Andrew Little

Hon Peeni Henare

Hon Jan Tinetti

Officials present from:

Office of the Prime Minister Office of the Chair Officials Committee for SWC



BUDGET: SENSITIVE