

#### Hon Carmel Sepuloni

# Minister for Arts, Culture and Heritage

# Arts and Culture Event Support Scheme Proposed Coverage for New Events - Cabinet Material

## 19 May 2022

Date: 4 April 2022

Title: Arts and Culture Event Support Scheme Proposed Coverage for New Events

Author: Ministry for Culture and Heritage

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

Title: Social Wellbeing Committee Minute: SWC-22-MIN-0046

Cabinet Minute: CAB-22-MIN0104

Some parts of CAB-22-MIN-0104 are unrelated to the substance of this information release and would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the OIA) as out-of-scope. These out-of-scope sections have been identified in the document.

#### In confidence

Office of the Minister for Arts, Culture and Heritage

Cabinet Social Wellbeing Committee

# Arts and Culture Event Support Scheme: Proposed Coverage for New Events

# **Proposal**

This paper seeks agreement to criteria for recurring and new events from 15 June 2022 to 31 January 2023 to be covered by the extension of the Arts and Culture Event Support Scheme.

## Relation to government priorities

The proposals in this paper support the broad government objective of accelerating the recovery and rebuild from the impacts of COVID-19 and building an economy that is growing and working. The proposal will also promote Aotearoa's unique cultural identity, connecting local communities to cultural experiences to enrich wellbeing and mātauranga.

#### **Background**

- On 1 February 2022, Cabinet agreed to allocate \$70 million to extend the Arts and Culture Event Support Scheme (ACESS) [CAB-22-MIN-0009] as part of a larger \$121 million package to support the arts and culture sector while we are in the Red setting of the COVID-19 Protection Framework.
- I then approved changes to the duration and eligibility criteria for the ACESS below:
  - 4.1 eligibility criteria will be amended to include events with proof of a financial commitment of 22 January 2022 to take place any time up to 31 January 2023; and
  - 4.2 eligibility criteria will be amended to include a cancellation due to a lead performer contracting COVID-19 or requiring self-isolation over the scheduled event date.
- At the time, Cabinet invited me to report back with additional criteria before approving any extension to the coverage of the ACESS to new events scheduled between 1 July 2022 and 31 January 2023 and noted any changes to the ACESS fund would need to align with the Ministry of Business, Innovation and Employment's Events Transition Support Payment.
- The purpose of ACESS is to ensure organisers of arts and cultural events have the confidence to plan and safely deliver events in spite of the financial risk or uncertainty associated with movement between levels of the COVID-19 Protection Framework. It further provides reassurance to artists and crew that

they will get paid if events cannot go ahead, and means New Zealanders have events to engage with as COVID-19 Protection Framework settings allow.

- Currently, the financial risk of a potential return to Red in the latter half of 2022 is discouraging organisers from planning new events that would otherwise be able to take place safely under Green or Orange. The lead-time for planning and delivery of events means that there will be a lag in events returning, even once confidence improves. Extending ACESS coverage now to new events taking place from 15 June 2022 to 31 January 2023 will give the sector confidence to plan events for the second half of the year.
- Cabinet recently decided on updated COVID-19 Protection Framework settings to manage the Post-Peak period [CAB-22-MIN-0086]. The proposals in this paper are consistent with the updated framework and will give the people and organisations in the Arts and Cultural sectors confidence to plan events to support activity as we start to move down levels of the framework and ease restrictions.

#### Options for new events under the Arts and Culture Event Support Scheme

#### Background on the scheme

- The Arts and Culture Event Support Scheme (ACESS) is designed to give cultural sector events confidence to commit to, plan and deliver events under the COVID-19 Protection Framework and to help retain cultural sector capacity and capability and help address immediate relief needs in the arts and culture sector.
- The shift to the Red setting on 23 January 2022 saw a surge in registrations for the scheme. As of 23 March 2022, Manatū Taonga has approved around \$10 million of payment to the organisers of 151 cancelled or downsized events, ensuring that event promoters, artists, crew and venues get financial support during this challenging time. A further 163 events are registered for support, and another 232 potential registrations are being evaluated. Manatū Taonga is carrying a total forward liability for events of \$23.1 million (not including the \$10 million being paid).

## Events Transition Support Payment criteria for new events

On 9 February 2022, Cabinet agreed to extend the Event Transition Support Payment (ETSP) administered by the Ministry for Business, Innovation and Employment (MBIE) to 31 January 2023 and amended the criteria to limit cover for new events scheduled between 4 April 2022 and 31 January 2023 that were not already in the market prior to 23 January 2022 [DEV-22-MIN-007].

- For a new event to be eligible for the ETSP<sup>1</sup>, it must have over 5,000 attendees and:
  - 12.1 be a recurring event that can demonstrate a history of previous iterations over the last three years; or
  - 12.2 be a touring event, held at multiple venues or on multiple dates that can demonstrate a financial commitment to the event dates at least four months prior to the event dates.

Extending the Arts and Culture Event Support Scheme criteria to include new events

- 13 I have already agreed that events that can show proof of financial commitment as of 22 January 2022 can be covered by the ACESS provided the event takes place anytime up to 31 January 2023.
- I propose to extend the coverage of the ACESS to cover new events taking place from 15 June 2022 to 31 January 2023 that are either:
  - 14.1 a recurring event that can demonstrate a history of previous iterations over the last three years, or
  - 14.2 scheduled to take place <u>after 15 June 2022</u> and register with Manatū Taonga at least <u>two months</u> before the event date, when they will be required to provide evidence of a financial commitment and a proven track record of delivering events in the arts and culture sector.

#### Risks and Mitigation

- There is a risk that event coordinators will try to stand up new events, knowing that the ACESS will cover costs if restrictions mean it cannot go ahead. Preregistering the event, checking eligibility early (particularly proven track record of delivering events in the arts and culture sector) and the fact ACESS does not cover profits help to mitigate this risk.
- A key difference between the ACESS and the ETSP is that those claiming the ETSP can do an eligibility check anytime up to the day before lodging their claim, however Manatū Taonga requires events to pre-register to be considered eligible for the ACESS. This step in the process allows Manatū Taonga to assess evidence of the financial commitment as well as the applicant's proven track record of delivering arts and culture events.
- 17 This check allows more time to request further evidence where there may be doubts about legitimacy. It also gives applicants some confidence to plan

Business events with at least 200 attendees are also eligible for the ETSP if the event has been publicly announced or been actively in the market:

a. Prior to 23 January 2022 for events scheduled to begin before 1 July 2022; or

At least four months prior to the event date for events scheduled to begin on or after 1 July 2022.

- events as they will know if they are eligible for the fund should the event be cancelled.
- 18 I propose a pre-registration cut-off two months before the event date. This is different to the ETSP, which requires proof of financial commitment four months prior to an event.
- In a usual year, the theatre and dance performances would be able to meet the four-month requirement, however with the current uncertainty, and numerous cancellations and postponements there will be many shows that have done much of the preproduction work already and once there is confidence to reschedule, these events would be able to stand back up quickly. A four-month requirement to pre-register would likely exclude these types of events from the ACESS protection or push events later into 2022, further delaying revenue.
- A two-month lead in is more typical for smaller cultural sector events. These are often the events that are more accessible for audiences and communities as they are local and less expensive than the larger multi-city tours.

#### Benefits of extending ACESS to new events

- The cultural sector is also a key contributing sector toward individual, community and national wellbeing. The sector plays a significant role in responding to many of the needs and challenges faced by our society, including:
  - 21.1 contributing to a strong economy;
  - 21.2 creating highly skilled workers;
  - 21.3 improving health and wellbeing;
  - 21.4 improving educational outcomes;
  - 21.5 supporting democracy; and
  - 21.6 fostering social inclusion and tolerance.<sup>2</sup>
- 22 Extending ACESS coverage for new events taking place from 15 June 2022 to 31 January 2023 will give the sector confidence to plan events for the second half of the year, including observing the inaugural Matariki public holiday, and in the lead up to the busy summer season. It supports employment for performers and production crew in a sector that has struggled with COVID-19 restrictions for the last two years and promotes wellbeing benefits for the wider community. 15 June 2022 is also currently anticipated to be after the peak of the Omicron outbreak, so an appropriate time to be supporting new events to be taking place.

 $<sup>^2\</sup> https://mch.govt.nz/sites/default/files/AnnualReport-web-ManatuTaonga-2020-21.pdf$ 

#### **Financial Implications**

There are no financial implications of this paper. All policy proposals will work within the \$70 million appropriation agreed by Cabinet on 1 February 2022.

#### **Legislative Implications**

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

#### **Regulatory Impact Statement**

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

## **Human Rights**

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

#### Consultation

The policy proposals in this paper have been consulted on with the Ministry for Business, Innovation and Employment. Both Creative New Zealand and the New Zealand Music Commission provided comment on the policy proposals.

#### **Communications**

Manatū Taonga will issue communications to the sector following Cabinet agreement to the proposals in this paper.

#### **Proactive Release**

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

#### Recommendations

The Minister for Arts, Culture and Heritage recommends that Cabinet:

- note that on 1 February 2022, Cabinet agreed to allocate \$70 million to extend the Arts and Culture Event Support Scheme [CAB-22-MIN-009] as part of a larger \$121 million package;
- 2 note that further advice was requested before approving any extension to the coverage of the ACESS to new events between 1 July 2022 and 31 January 2023;
- note that events that can show proof of financial commitment as of 22 January 2022 can already be covered by the ACESS provided the event takes place anytime up to 31 January 2023;

- 4 agree to extend the coverage of the Arts and Culture Event Support Scheme from 15 June 2022 to 31 January 2023 to events that are either:
  - 4.1 a recurring event that can demonstrate a history of previous iterations over the last three years, or
  - 4.2 scheduled to take place after 15 June 2022 and register with Manatū Taonga at least two months before the event date, when they will be required to provide evidence of a financial commitment and a proven track record of delivering arts and culture events.

Authorised for lodgement

Hon Carmel Sepuloni

ROACTIVIELY Minister for Arts, Culture and Heritage



# **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.

# Report of the Cabinet Social Wellbeing Committee: Period Ended 1 April 22

On 4 April 2022, Cabinet made the following decisions on the work of the Cabinet Social Wellbeing Committee for the period ended 1 April 2022:



SWC-22-MIN-0046 Arts and Cultur

Arts and Culture Event Support Scheme: Proposed Coverage for New Events Portfolio: Arts, Culture and Heritage **CONFIRMED** 





Michael Webster Secretary of the Cabinet



# Cabinet Social Wellbeing Committee

# 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.

# Arts and Culture Event Support Scheme: Proposed Coverage for New Events

Portfolio Arts, Culture and Heritage

On 30 March 2022, the Cabinet Social Wellbeing Committee:

- 1 **noted** that in February 2022, Cabinet:
  - agreed to allocate \$70 million to extend the Arts and Culture Event Support Scheme (ACESS) as part of a larger \$121 million cultural sector support package;
  - 1.2 invited the Minister for Arts, Culture and Heritage to report back before approving any extension to the coverage of the ACESS to new events between 1 July 2022 and 31 January 2023;

[CAB-22-MIN-0009]

- 2 noted that events that can show proof of financial commitment as of 22 January 2022 can already be covered by the ACESS provided the event takes place anytime up to 31 January 2023;
- agreed to extend the coverage of the ACESS from 15 June 2022 to 31 January 2023 to events that are either:
  - 3.1 a recurring event that can demonstrate a history of previous iterations over the last three years; OR
  - 3.2 scheduled to take place after 15 June 2022 and register with Manatū Taonga at least two months before the event date, when they will be required to provide evidence of a financial commitment and a proven track record of delivering arts and culture events.

Rachel Clarke Committee Secretary

Attendance (see over)

#### Present:

Hon Kelvin Davis Hon Dr Megan Woods

Hon Chris Hipkins

Hon Carmel Sepuloni (Chair)

Hon Andrew Little

Hon Poto Williams

Hon Jan Tinetti

Hon Dr Ayesha Verrall

Hon Aupito William Sio

Hon Meka Whaitiri

Hon Priyanca Radhakrishnan

#### Officials present from:

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