# Creative Industries Policy & Evidence Centre Led by nesta



The impact of COVID-19 on diversity in the creative industries Insights from our Industry Champions: in partnership with the APPG for Creative Diversity

As part of the Creative Industries Policy and Evidence Centre (PEC)'s research agenda on the industry's response to COVID-19, the PEC and the All-Party Parliamentary Group (APPG) for Creative Diversity consulted Industry Champions and APPG partners on the impact of the pandemic on diversity in their organisations and sectors.

The PEC's Industry Champions are trusted and respected practitioners, drawn from all parts of the creative industries and from across the UK. They have deep knowledge of industry practice and a desire to inform academic research that leads to better policies for the creative industries.

In partnership with the APPG for Creative Diversity, we convened a virtual panel on 29 October which brought together some of the Industry Champions and APPG partners to address four questions:

- What has been the impact of COVID-19 on workforce diversity in the creative industries
- What can we learn from this experience to better prepare for future crises (including an economic recession and a second wave)
- How can this learning inform recovery?
- What could the government and industry do to support creative diversity?

The 21 panellists came from a diverse range of sectors, backgrounds and regions. A briefing paper, covering some of the academic literature on diversity within the creative industries was produced by PEC researcher and APPG research supervisor, Dr Dave O'Brien. The panel was jointly chaired by Caroline Julian, Director of Policy and Programmes for the Creative Industries Federation, and Joanna Abeyie, co-secretariat for the APPG for Creative Diversity and Director of Blue Moon.

Whilst the panellists mentioned a number of organisations doing excellent work to combat inequality, this is by no means an exhaustive list. This briefing outlines the key points discussed by the panel. In addition to spelling out implications for industry, there are also insights for devolved and central government as well as funding bodies. These are listed at the bottom of the briefing.

# Insights

## The lived experience of prejudice

Throughout the event there was acknowledgement of the racism, sexism, ageism and ableism (as well as other forms of prejudice) that had been experienced by roundtable participants. Panellists raised that the perception of people in the creative workforce is still challenged by them being seen as a 'diversity hire'. Any mention of diversity or communities in an organisation's activities still designates something as 'lesser', panellists told us, and this urgently needs to change. This was seen to be particularly infuriating when diversity, including neurodiversity, has demonstrable benefits.

#### <u>Impact on talent pipeline</u>

Panellists highlighted that the pandemic has already had a negative impact on the talent pipeline into the creative industries. This is evident across multiple sub-sectors and it remains to be seen how long the impact might last.

One example of how and why diversity is impacted by the pandemic was given by a panellist who works on festivals. They noted that commercial producers are more likely to now give space to well-known talent (such as those shown on TV), reducing opportunities for emerging artists. This is because commercial producers believe a high profile name could help to sell tickets and ensure continued financial viability in the short term, but with so much talent already lost to the sector, it could be disastrous for the future. Organisations should consider their future work pipelines and ensure they are still giving space to emerging talent.

In architecture, it was noted that the impact seems particularly extreme. Two years of work experience are needed as part of an architecture degree, but access to formal placements has been limited and in some cases removed altogether. Students that still have access to work experience tend to be those with better networks. Meanwhile, those without networks are often the first to be furloughed. Recent years have seen campaigns to encourage more diverse people into architecture but the positive impact of this work could be mitigated by the reality of the pandemic.

A panellist working in developing talent shared that young people feel increasingly ill-equipped with the knowledge to navigate spaces and networks in the creative industries. As informal introductions to personal networks are so important in the creative industries, a major implication of this is that online networking events and micro placements need to be provided for people undergoing training and at university. It was suggested that in London this could happen at a borough level, to help local creative communities to connect as well. One panellist in the creative education sector noted that students had been neglected, and needed to be represented and empowered. Examples of good practice given were the Weston Jerwood Creative Bursaries which pay for young people for their first steps in the industry and Seredipity-uk.com, who have published resources to enable a review of dance education curriculum. Implications for industry include sharing and promoting existing campaigns to mitigate for potential applicants who have been discouraged from a career in the creative industries due to the pandemic.

Looking to the longer term, paid internships were raised as a potential way to change the pipeline into the industry. Panellists highlighted, however, that at the current moment paid internships are unlikely to solve the growing lack of diversity in the sector. This is because the finances of many businesses are in such a bad state that they are struggling to provide even fully paid or funded internships. For small businesses, continuing education initiatives at this time has been challenging. A number of panellists expressed a serious concern that the pandemic might lead to a rise in unpaid internships. They noted that funded organisations should not be asking people to work for free, and that internships should be paid, and paid properly. It should be noted that in most cases unpaid internships are now illegal, but despite the law, unpaid internships are still a major concern. One panellist who had started up their own business noted that they had paid London Living Wage from the beginning, and struggled to understand why other organisations were not doing this.

Industry should pay the Living Wage to interns, and ensure an open application process.

It was also highlighted that it is important that people with protected characteristics are not only asked to work on themes related to those characteristics - for example, a disabled person asked to work only on output related to having that disability.

Another panellist noted that there often appears to be invisible walls within the creative industries that there isn't in other sectors. The panellist had previously been told that they couldn't be an architect as they hadn't studied Latin, which now seems an absurd limitation. They observed that an accountant who had a background in construction is not vastly different to one who works within an arts organisation but that there seemed to be rings of protection for the sector that are both irrelevant and unrealistic. More thought needs to be put into how we can open up the sector, and avoid losing talented and interested people.

# **Employer responsibility**

Employer responsibility was also picked up as a crucial part of the post-pandemic landscape. There was an acknowledgement that due to the pandemic's impact on the job market, there are currently highly qualified candidates seeking employment. This might reduce the quality of jobs that are available for those at entry level or for those who might need more support. One panellist noted that they had recently employed a person who is a real asset to the organisation but needed some additional support on commencing the role. Their concern was that the sector might lose out on talented people, particularly those who come from disadvantaged backgrounds and may lack the confidence or connections to get a foot on the ladder. For example, for an entry level position available within one of the panellist's organisations, there were almost 200 applicants, a number of which had PhDs. One panellist made the point that employers have responsibility to employ people from non traditional backgrounds in order to diversify in terms of talent, and that a support scheme to encourage this behaviour might be necessary. Another panellist suggested that Kickstart grants might be used to provide paid work placements for unemployed people to receive specialist training. In the post-pandemic landscape, employers should consider employing people from non traditional backgrounds. Government should examine flexible uses of the Kickstart and £2.9bn Restart schemes, ensuring that they support creatives and provide unemployed people with skills for the industries of the future.

A crucial area that was also picked up on was career development and progression. It was highlighted that many leaders from different backgrounds in top institutions understand cultural barriers and issues. One key question raised by panellists was how to set up a system where there is support through career progression, and what level of support is needed to get someone from a mid level career to a more senior role. Sourlemons.co.uk was raised as an organisation working to address diverse leadership in the creative industries and put young people in front of leaders from the cultural sector.

One panellist pointed out that due to the pandemic there have been delays on gender and ethnicity pay gap reporting. They suggested that a push for greater transparency, information and data would help hold organisations accountable both internally and externally. YSYS was highlighted as having excellent resources to assist organisations in improving and knowing their own data. An implication for industry and government is to push on gender and ethnicity pay gap reporting.

There were mixed views about the benefits of signing up to charters to address inequalities. At best it was seen as a positive start but not a solution.

It was also suggested that organisations and individuals need to use their platforms to promote and support people. For example, organisations should help practitioners to apply for additional funding or government financial support. This was something that some participants were already doing, mostly at an individual rather than institutional level.

# **Working conditions and redundancies**

Participants discussed the ways in which particular groups that were already suffering prior to COVID-19 have seen their situation worsen during the pandemic. Those who were in the least privileged positions within organisations are often those who have been made redundant (they have been the 'first in and first out' of creative organisations). For example, one participant mentioned how in arts organisations it has been mostly front of house roles that have been made redundant, which is where those from non privileged backgrounds were most likely to be working. This has had a devastating impact on those people who most struggled to find employment in the sector in the first place. A report by Inc Arts and the Bridge Group highlights previously existing inequalities in arts organisations and practical suggestions on how the sector can improve. As industry recovers, there should be consideration of how to address the lack of diversity at all levels of an organisation (e.g. finance, operations, production, front of house, performers, boards).

In addition it was highlighted that those from Black and South Asian backgrounds are more likely to be adversely impacted by the actual virus. The same was recognised for disabled and older creatives. Industry and government must give more detailed guidance on safe work during the pandemic.

One participant said that in terms of the arts sector, the visual arts had experienced fewer redundancies because they have not had to diversify their income in the past and so the

economic impact of the virus has been less dramatic and across fewer revenue streams. However, they suggested that this sector is also the least diverse of the arts.

## **Disabled creatives**

There was a discussion about the devastating impact of the pandemic on disabled creatives. One participant raised how they had been forced to put some of their assistants on furlough payments as they had been classed as administrative support by HMRC (despite the fact these people are vital for their creative practice). There have also been so many complications in getting adequate support from the government, particularly HMRC and local authorities, that it was impossible for that creative to work whilst dealing with these complications. Until these national issues around furlough payments and support for disabled people are addressed, it is going to be extremely difficult for some disabled creatives to get back to work. Government should review support for disabled workers to ensure that gaps are filled. A recommendation for industry is to work more closely with disability rights organisations.

## Caring responsibilities

Another specific group for whom the impact of Covid has been devastating has been those people who have caring responsibilities. 'Raising Films' have been running regular training courses to support people to sustain their careers whilst having caring responsibilities. Feedback from their latest training highlighted that a large number of people felt they would have to leave the industry because of the need to provide additional childcare support as schools are no longer able to operate in the same way. Participants highlighted the lack of structural support for caregivers, and particularly those that are working freelance (one third of the creative industries workforce is self employed). Broadly, carers also highlighted that they were being asked to work more for less money, and to extend hours. One panellist mentioned that some organisations had threatened taking away necessary benefits for carers. Each creative industries sector should produce its own sector wide guidelines to support those with caring responsibilities, such as the Inclusive Production Resource created by Raising Films for the Film & TV sectors. This resource enables productions to make themselves inclusive to parents and carers.

# Age

One participant brought up how people of different ages will be impacted very differently by the pandemic and this needs to be highlighted more explicitly and further research carried out. A particular group who seem to be experiencing difficulties are older people, trying to gain a new position or re-enter the workforce. An implication for the PEC is to be more explicit about this group in our research.

#### Programmes vs systemic change

It was raised that over the past decade there have been many programmes in the creative sector which claim to address problems of inequity. However, these have been short term, and panellists told us that they were often more about appearances than a sincere wish to change things. These programmes can also come across as patronising, and do not always recognise the value that

having a diverse workforce brings to an organisation. Despite the fact that there is evidence to demonstrate the value of diversity in creative practice, one participant highlighted that this research isn't well known. One implication is that research around the benefits of diversity could be made higher profile. Another implication is that organisations should focus on systemic change rather than a rotation of programmes.

There was also a conversation about whether diversity programmes are also inappropriately 'trendy' e.g. focus on one aspect of diversity one year, then change to another. This was seen as failing to address intersectionality. One important aspect of changing organisations more systematically was changing the makeup of leadership, and immediately removing individuals who are racist, sexist, ableist etc. Aspects of change may be uncomfortable, and one panellist noted that some leaders may need to take a step back to allow a more diverse cohort in.

## The impact of Black Lives Matter

There was some discussion about the impact of the Black Lives Matter (BLM) movement. Panellists noted that it has forced necessary and difficult conversations in organisations. One panellist noted that within publishing, BLM has had a significant impact and has ramped up a desire to see change happen. Whilst they noted that there already had been inclusion plans in place, BLM has caused a real shift in attitudes, and this has accelerated plans within organisations.

However, it was also mentioned that during this period there has often been undue pressure put on the few Black representatives in organisations, and even sectors, to be spokespeople for their ethnicity and for the movement. These individuals have had to relive trauma without benefiting from their testimony. The implication of this is that organisations should consider the emotional impact of the pressure they put on individuals to act as spokespeople for BLM. One panellist who works with a group of freelancers spoke about their concern for the mental health of the group, saying many feel overwhelmed. There has been a lot of institutional virtue signalling and some participants felt colleagues had been well-meaning but the impact had been overall mixed.

The impact of BLM is one example of a more general trend participants raised which was that industry can sometimes shine a spotlight on one protected characteristic, and then expected people to 'make the use of the opportunities given' during a set period of time. This sort of time-limited opportunity puts pressure on people to achieve within a certain period and therefore sets them up to fail. In addition, during these 'spotlight moments' people are asked to share personal experiences of prejudice - a form of emotional labour. One panellist also noted the physical and emotional exhaustion within their network during Black History Month, with many taking every opportunity possible, as there had been so little work during the first wave of the pandemic. This significant impact on mental health has been acted upon by Inc Arts UK who have launched a campaign to provide free emotional wellbeing support for ethnically diverse people working in the creative industries who bear the burden of others' racism.

The UK Music Diversity Taskforce's <u>Ten-Point Plan</u> was recommended as essential reading which could also be applied across multiple sectors.

#### **Funding and investment**

The panellists noted that issues in gaining access to finance have been exacerbated by the pandemic. Application processes tend to favour those who have previous experience of securing funds and there was concern that this might exclude excellent organisations and businesses who had no prior application experience. Although the Bounce Back Loans have been identified as a helpful source of funding, as the process is through the banking system rather than through Community Development Finance Initiatives (CDFIs), concerns were raised. In particular it was highlighted that this might starve CDFIs of business in the short term as those who would normally seek finance through them, would go to the traditional banking sector for a bounce back loan. However, in the long term, banks would have no intention of lending to those with low credit ratings, causing an access to finance issue. Funders should consider how to make the application process more transparent and accessible.

Many panellists highlighted that there has also historically been underinvestment in Black and Asian led organisations and businesses. An Extend Ventures report highlighted that in the previous 10 years, only 10 Black women received venture capital investment, with none so far receiving late-stage funding. As outlined above, it is crucial that funding is not limited to acting as an emergency response within a set period of time, and instead becomes part of systematic change. Historic underinvestment cannot simply be corrected in one funding round. It was noted that there currently seems to be a 'bubble', where there's some investment to address immediate needs but not enough for strategic change. Other panellists agreed that it can sometimes be uncomfortable to ask for funding, but that it will be necessary in order to create lasting change. It was also acknowledged that the US is currently seeing both more philanthropic funding and investment in diverse businesses as a result of the BLM protests, examples highlighted were diversity-focused funds from the likes of Softbank, a16z and the \$200m Susan Sandler donation for racial justice. In comparison, many pledges in the UK lack actual numbers, and can be seen as vague and non committal. Funders should ensure that access to finance is made more equal over the long term.

Multiple panellists recommended stipulations around funding pinned to diversity criteria. It was raised that Arts Council England have what is felt to be a genuinely ambitious plan around funding only organisations that meet certain diversity criteria. They also have boards looking at both race and ability which are seen as being effective. Funders should consider funding stipulations pinned to diversity criteria.

Panellists also noted that the **government needs to be more joined up in terms of how it approaches diversity**. One particular instance that was referenced was the apology given by Oliver Dowden (Secretary of State for DCMS) in reference to another department's campaign which included a suggestion that a ballerina retrain for a cyber career.

## **Freelancers**

One participant highlighted their belief that the government needs to completely change their approach to freelancers. COVID-19 has exacerbated the existing issues that self-employed people were experiencing prior to the pandemic, one panellist reported that many freelancers in their network have had to pick up work in supermarkets or as delivery drivers. Panellists noted that HMRC needs to revisit their relationship with freelancers, as this group feels like they have inadequate rights and are treated like people who don't pay tax. One panellist who works with a group of freelancers said they would have loved to have been in a position to give some form of financial support as so many had struggled in the first wave particularly. Government should consider the calls for a Freelance Commissioner to build more resilience in the UK's self employed workforce.

Panellists highlighted that further collaboration on sharing contact information and details for freelancers, for example through networks like <u>The Dots</u> might be one solution.

# **Implications**

The points made in the Industry Panel pointed to a number of implications.

## Implications for industry include:

- Industry should share and promote existing recruitment campaigns to mitigate for
  potential applicants who have been discouraged from a career in the creative industries
  due to the pandemic
- Organisations should consider their future work pipelines and ensure they are still giving space to emerging talent
- Online networking events and micro placements need to be provided for people undergoing training and at university
- As industry recovers, there should be consideration of how to address the lack of diversity at all levels of an organisation (e.g. finance, operations, production, front of house, performers, boards)
- Industry should give more detailed guidance on safe work during the pandemic
- In the post-pandemic landscape, employers should consider employing people from non traditional backgrounds
- Industry should pay the Living Wage to interns, and ensure an open application process
- Focus should be on systemic change rather than one-off programmes
- Organisations should consider the emotional impact of the pressure they put on individuals to act as spokespeople for BLM
- Each creative industries sector should produce its own sector wide guidelines to support
  those with caring responsibilities, such as the <u>Inclusive Production Resource</u> created by
  Raising Films for the Film & TV sectors.
- Industry should aim to work more closely with disability rights organisations
- Industry should push on gender and ethnicity pay gap reporting

# Implications for policymakers include:

- Government should examine flexible uses of the Kickstart and £2.9bn Restart schemes, ensuring that they support creatives and provide unemployed people with skills for the industries of the future
- Government should consider the <u>calls</u> for a Freelance Commissioner to build more resilience in the UK's self employed workforce
- Government needs to be more joined up in terms of how it approaches diversity
- Government should push on gender and ethnicity pay gap reporting
- Government should review support for disabled workers to ensure that gaps are filled
- Government must give more detailed guidance on safe work during the pandemic

# Implications for funders include:

- Funders should consider how to make the application process more transparent and accessible
- Funders should ensure that access to finance is made more equal over the long term
- Funders should consider funding stipulations pinned to diversity criteria

## Implications for the PEC and other researchers include:

- Research around the benefits of diversity could be made higher profile
- The PEC should be more explicit about the impacts on older people in our research