### 08.02.21

Dear The Economic and International Affairs Scrutiny Panel

I write on behalf of the Event, Entertainment & Nightclub Stakeholders Group in response to your press release yesterday, in that you are conducting a review into the Government's Business Support Measures with the intention of holding a public hearing with Senator Lyndon Farnham.

Our group was formed by a group of local business owners whose livelihoods are derived exclusively from Jersey's Events, Entertainment and Nightclub Industry as an urgent call for help and to explain to the people of Jersey just how unfairly we have been treated by our Government throughout the Covid pandemic.

The aim of the group is to ensure that our voices are heard, our sector receives adequate financial support, the qualifying criteria for the support is equal to that of other sectors and that we receive clear guidance & timelines on when our sector can return to work.

We would very much welcome the opportunity to speak with you directly about our disappointment, frustration and anger at the financial support offered to our sector and the qualifying criteria for application offered by the Government of Jersey.

### NEWS

### New group calls for support to save the events industry

By Jake Stolte



The new lobby group has been formed by 16 businesses involved in the entertainment, events and nightclub sectors

schemes. To date, Jersey events and enter-

schemes. To date, Jersey events and enter-tainment businesses have no accessible, specific support available.' And the group have said that the col-lapse of the industry would impact 'every person on the Island' and leave even those events able to survive, such as the Battle of Flowers and the Jersey International Air Display, without suppliers or technical support. There would be no local companies or wormders to nut on and support concerts

promoters to put on and support concerts with international and local artists,' the statement continued. "There may not be any nightclubs or venues left to go to in order to be entertained.

'Event-led tourism only exists because of the ability for events to be held and host-ed at many venues and locations around the Island, supported by entertainers, ca-terers, marquee suppliers and technical support from many event suppliers. There could be no event companies, or event sup-pliers available for your wedding, birth-day, anniversary, or company functions.' Without financial support, the group be-lieves businesses in the industry will be forced to close.

#### Group members

Simon Gasston, Delta Events, Out There Festival, TogetherParties Rob Ritchie, Stage 2 Productions John Neal, Marquee Solutions Warren Plant, Marquee Solutions Warren Le Sueur, Weekender Festival, Out There Festival, Together Parties Tim Bartlett, Weekender Festival, TogetherParties Simon Harper, Harpers Catering

Tony Sargeant, Jersey Kitchen James Godfrey, Royal Jersey Showgrounds

James Robertson, The Event Shop

Andrew Thomas, 3D Events Nigel Vautier, Vibert Marquees Martin Sayers, Vittoria nightclub JP Anquetil, ROJO nightclub Lyle de la Cloche – Bikout events, Out There Festival

Barry Mckenna – Havana Nightclub

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### More accountability for States-controlled bodies economically, efficiently

By Ian Heath

MORE consistent financial reporting is needed across

The consistent infanction reporting is needed across States-controlled and es-tablished bodies as well as greater independent in-spection of their accounts, the head of the Jersey Au-dit Office has said. One year after stepping into the role, Comptroller and Auditor-General Lyan Pamment has published a 'think piece' outlining some of her findings over the last 12 months and has raised concerns over the figraised concerns over the fi-nancial transparency and audit of a number of States-linked bodies.

nancial transparency and audi of a number of States-linked bodies. The report recommends that a framework for more consistent production of accounts is set up and that the CAG should be able to appoint auditors for all of the bodies in question. It outlines that States-linked bodies that currently produce "limited financial information" include the States police, the chifdren's commissioner, the direc-tor of civil aviation and the States Employment Board. A statement released by the CAG says: "The CAG observes that the availa-bility of published finan-bility of published finan-cial information in respect of States-controlled and States established entities varies. varies

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Comptroller and Auditor-General Lynn Pamment

The emphasises the need for a consistent framework for the production of an-mual reports and accounts for States established and States-controlled entities. "She also suggests that there should be a consist-ent definition in legislation of States established and States-controlled entities with a list maintained of entities that meet this defi-nition. "To accompany the framework for annual re-ports and accounts, the CAG recommends a con-sistent and coherent stat-utory framework for the provision of independent assurance on the reported results of those entities." Mrs Pamment said that her recommendations would help ensure that public money was spent She emphasises the ne

economically, efficiently and effectively'. Delivering that assur-ance requires that the framework for public audit is comprehensive and ro-bust' she said. "High quality audit is facilitated by high quality financial and associated non-financial reporting. Further consideration should be given to the re-quirements for disclosure and audit of relevant finan-cial information in respect of the entities listed in the think piece, given that with some degree of inde-pendence from the States

what some degree of inde-pendence from the States of Jersey. 'A starting point to a more consistent frame-quire those entities that do not publish an annual re-port or financial informa-tion to do so on a consistent hasis.'

tion to tailacean informa-bion to tailacean informa-basis." The second consistent basis." Commethy Public Accounts Committee chair. Deputy Inna Gardiner, who said she was 'supportive' of the recommendation for the CAG to oversee the ap-pointment of auditors for all public-funded bodies Meanwhile. Treasury Minister Susie Pinel said her team would 'welcome' the CAG's contribution in the areas of audit and re-porting.

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# Jersey events and entertainment at risk because of Government inaction

January 20, 2021







## Events businesses voice "frustration and anger" over Gov support

Fear That Flagship Events Will Be Lost Without Further Support

♠ News Home

 $\equiv$  More from Jersey News

Wednesday, January 20th, 2021 1:04pm



# Jersey's events, entertainment and nightclub industry on brink of collapse

### CHANNEL | ECONOMY | BUSINESS CONSUMER

🕓 Wednesday 20 January 2021, 3:04pm



BETTER support and access to government funding is needed if the Island's events, entertainment and nightlife businesses are to survive, a new group representing the industry has said.



### **Dear Sirs**

### Letter to Council of Ministers

We, the undersigned local businesses, who all create our livelihoods exclusively from Jersey's Events and Nightclub Industry, write collectively to express our disappointment, frustration and anger at the recent financial support package and the qualifying criteria for application offered by the Government of Jersey Whilst we are appreciative of the time and effort that has gone on behind the scenes with the planning of this support scheme, the time it has taken from initial conversations in July to public roll out in January is in our view unacceptable and has left all business owners worrying unnecessarily about their business and their staff. It is the industry's view that the proposed support scheme is a futile attempt to show that the Government have offered some support to help the events industry. However, it is nothing short of a punitive scheme, due to the unrealistic criteria of applying to it, that simply veneers over the agony that the industry is suffering from. We respectfully request an explanation as to why this scheme has taken so long and the reluctance to support these business's which contribute hugely to the island's economy and supports every other industry within the island and every Government department. It was suggested to us, through earlier discussions via Jersey Business, that any government support scheme for our industry was likely to be backdated to start from Sept 2020 onwards, which disappointingly, appears to not be the case. Whilst we fully understand the need to follow medical advice, our industry has been hugely impacted and detrimented without any recovery since March. This has been directly caused by Governments restrictions and we cannot return to business in any meaningful way (and will not be able to for many more months to come). We have no choice but to accept this, but in return it should be Governments responsibility to support our industry. At present, due to some elements of the inhibitive qualifying criteria the majority of businesses will not be able to apply for this over delayed support scheme. We respectfully request that the following elements be removed with immediate effect so that businesses that desperately require support can actually apply for it.

• The requirement to apply for a loan prior to application.

• The requirement to be GST registered, or any minimum turnover threshold. We fully understand that any financial support comes from the Tax Payers purse, but with all Events and Nightclubs being forced to close, or operate in a massively reduced way for the past nine months, the majority of business simply cannot take on such debt We are aware that GST registration and minimum turnover is not a requirement of the Accommodation Sector application scheme and we simply ask for a level playing field. We also respectfully request that the following areas are included in the scheme.

• All fixed costs are covered in the scheme, including depreciation, which we note has been removed from previous versions of the scheme.

• That any fixed costs incurred on an annual basis (not between Oct and Apr) can be applied for e.g. an annual insurance premium can be claimed for to the tune of 1 1/12th each month.

• That the same qualifying criteria for the co-funding is applied to this scheme, ie a sliding scale of detriment to include those businesses that have suffered less than 50% detriment in a particular month.

• That fixed costs are claimable for those businesses who have premises & offices, but also to those who work from their homes. There also needs to be realistic consideration offered to those Events business that have little or no fixed costs but contribute hugely to the island's economy.

The UK has supplied grants schemes for similar business to allow them to continue throughout enforced lockdown. This would help a little towards the catastrophic losses of trading profits and cash flow of all severely affected businesses.

Our fear is that the island will lose some of its flagships events if this isn't offered or implemented. This would have a serious knock-on effect on a large number of suppliers as well seeing a detrimental impact on the islands overall community. Under normal trading conditions, at this time, we would all be re-investing in our business but are unable to do so with no discernible income let alone any profit. If unable to re-invest and unable to claim depreciation then this will begin a downward spiral which will ultimately lead to "Zombie Businesses" which is not good for anyone. We are also asking for clear communication on the timeframe for small, medium and large gatherings to return. The hospitality industry has been offered a timetable guideline to work to and we request the same. This season is already hanging by a thread with many cancellations and deferments already received. With the following reasons given by clients:

• Uncertainty regarding travel restrictions.

• Immunisation won't be completed until September with presumption that events will be restricted in numbers for a second year. It is vitally important that those businesses that have suffered the most detriment be prioritised with available funding. We would respectfully request a response to this letter by close of business Friday 15th January. As an industry group we have a meeting with several media outlets next week and we would hope for some positive news to deliver once receiving governments response. Thank you for taking the time to read our letter, we trust the Jersey events industry will be listened to, with the points above taken on board, and be granted much needed Government support in the coming weeks.

Yours Faithfully

Simon Gasston – Delta Events Rob Ritchie – Stage 2 Productions Warren Plant and John Neal – Marquee Solutions Warren Le Sueur and Tim Bartlett – Weekender Festival Simon Harper – Harpers Catering Tony Sergeant – Jersey Kitchen James Godfrey – Royal Jersey Showground Events James Robertson – The Event Shop Andrew Thomas – 3D Events Nigel Vautier – Vibert Marquees Martin Sayers – Vittoria Nightclub JP – Anquetil – Rojos Nightclub Lyle de la Cloche – Blkout Events Warren le Sueur, Lyle De La Cloche and Simon Gasston – Out There Festival Warren le Sueur, Simon Gasston and Tim Bartlett - TogetherParties Barry McKenna – Havana Nightclub

#### Statement from the Jersey Event, Entertainment and Nightclub Stakeholders group.

The Jersey event, entertainment and nightclub businesses have effectively been closed down since March 2020 due to the restrictions imposed on events and live entertainment by the Government of Jersey. Almost all of the businesses saw their entire 2020 diaries cleared by the end of March. Event and Entertainment businesses have been suffering detriment levels of over 70% and some at 100% detriment since March. Now, 10 months on, we are still not able to operate at any reasonable levels, and have not received any specific and attainable support from Government.

While we understand and agree with the need for these restrictions on events, we have been suffering massive detriment since restrictions were imposed and, unlike other industries who have had periods of a return to some reasonable levels of business, we have not had any opportunity to operate at any reasonable levels since March. Due to the nature of our businesses, we will not be able to operate at pre-Covid levels of business until the social-distancing requirements are removed. This is probably going to be many months away and could mean that we would have been trying to keep our businesses from closing, with little or no income, for more than 18 months.

As an industry, representatives met with Ministers on 29<sup>th</sup> July to request some support from Government to assist us in keeping our viable businesses and the whole industry from collapse. The Ministers and Government officers that our representatives met with agreed with the urgent need to support the businesses and the industry and agreed to work on a financial support package. With the assistance of Jersey Business, we supplied information and figures as requested by government to assist them in putting a support framework together. As business owners, this gave us some relief and we felt that we were finally able to start planning a way to shore up our businesses in the knowledge that financial support was being worked on. It wasn't until towards the end of October that Ministers discussed and approved in principle the financial support package. After several more months of frustration, emails, delays and excuses the Treasury then effectively blocked the scheme as they didn't see it as good use of public money. Senator Lyndon Farnham who has supported the industry throughout, had to apply an unprecedented ministerial order, taking responsibility of the allocation of the funds, so that the Treasury office would proceed with the support package.

The Government finally announced the financial support package (VAES) on Tuesday 5<sup>th</sup> January, 5 months after our initial meeting with ministers. Unfortunately the application criteria for the financial support package has several requirements that puts the application beyond almost every business within the industry. Effectively this is a support package that cannot be applied for by the businesses it is designed to support; it is not fit for purpose.

Without some sort of financial support beyond the gratefully received Payroll Co-finding scheme, the businesses within the Jersey Events, Entertainment and Nightclub industry face the real possibility that we will not be able to keep our businesses open. This is not due to our businesses being unviable or any failings in the businesses, but solely due to the Governments restrictions that we have been suffering from for 10 months and which might go on for another 6 or 8 months. What business is able to operate with virtually no income for ten or eighteen months?

As an industry, we are only asking that the Government of Jersey provides us with a support package that is fit for purpose. A suitable package that can be applied for and made available for these event and entertainment businesses that are desperate for and without the unachievable qualifying criteria that puts it out of reach for almost everybody.

The Event and Entertainment businesses venues and individuals in the UK have a number of avenues of financial support available to them including the Arts Council grants and Government loan schemes. To date, Jersey event and entertainment businesses have no accessible, specific support available.

- Imagine never having Weekender, Reasons, Wonky Town or Out-There festivals again.
- Jersey International Boat show, Liberation day, Battle of Flowers, the Air Display, Remembrance Sunday and so many more events will not have the suppliers and technical support and probably wouldn't be able to go ahead.
- There would be no local companies or promotors to put on and support concerts with both international and local artists.
- There may not be any nightclubs or venues left to go to, to be entertained.
- Event-led Tourism only exists because of the ability for events to be held and hosted at many venues and locations around the island, supported by entertainers, caterers, marquee suppliers and technical support from many event suppliers.
- There could be no event companies, or event suppliers available for your wedding, birthday, anniversary, or company functions.
- Sporting events will not be able to go ahead, so there will be no Jersey Marathon, Jersey Triathlon, Super League Triathlon, or any other sporting events.
- Finance, Retail and hospitality business will not have the technical support and suppliers to hold their conferences, seminars, product launches and events,
- Even the Government of Jersey and the States of Jersey, will be effected by the sudden lack of technical support, caterers and marquee companies available to assist with their many events and requirements.
- The Jersey Event, Entertainment and Nightclub businesses are entwined in every other industry and sector. Every person on the island would be effected in one way or another if this industry disappeared.
- The event and entertainment industry adds a significant amount to the Jersey Economy which will be lost, employees will be unemployed and business opportunities restricted.

Without financial support these event and Entertainment businesses will close. Jersey will lose the companies responsible for putting on and supporting all of the amazing events and functions held within the island.

If the event, entertainment and nightclub industry in Jersey is allowed to collapse and disappear, it will have a negative effect on every person, business sector and every part of our Island Life.