

Dear Members,

Further to our Written Evidence submitted in October 2023, and ahead of our session with you on 28 February, I enclose additional written evidence.

In our initial submission, we included some examples of issues that had arisen as a result of the UK leaving the EU. Since this submission, we have experienced issues that may provide further context to illustrate the ongoing cost and operational impact on our sector.

## **1. Co-productions**

We are currently working with National Theatre Brno (Czech Republic) to co-produce a new production of Smetana's opera *Dalibor*, which opened in Brno on 2 February. The co-production contract means that once the run in Brno has finished, we need to make plans to transport the production (set, costumes, etc) to the UK. Prior to Brexit, this would have been relatively straightforward, but we now need to work on an import. This involves additional administration work and costs for us.

On average, at least another 40 hours spread across the department are spent per load and carnet for temporary imports to the EU. In costs, the bond guarantees need to be purchased as well as the carnet, which is usually around £750 per document. Far more severe, however, is the fact that we become unattractive as a partner to European houses as these costs need to be passed on to the client.

As an example of how we worked prior to Brexit, between 2018 and 2020 we co-produced a trilogy of Verdi operas with Theater Bonn (Germany). This partnership enabled us to create three new productions but with the cost split between us and our producing partner. Due to the productions opening at various points at each opera house over the three years, the sets were constantly travelling back and forth across borders, with no issues around carnets or import/export fees. Following Brexit, it wouldn't be feasible for us to enter into a similar arrangement with a European opera house due to the additional costs and administration we are now subject to.

Co-productions have historically been a creative and cost-effective way of us producing new operas as well as brokering connections with other opera houses. Although we also co-produce successfully with UK opera houses, there are limitations in this due to there being fewer companies within the UK. We are finding ever-increasing challenges with co-producing alongside European opera houses, and the barriers to free and easy transaction mean that our European partners recognise that it is more difficult to work with opera houses in the UK.

## **2. Importing equipment**

For our current season, we are staging Britten's *Death in Venice*; a new production which has been produced by WNO's scenery building workshop, Cardiff Theatrical Services (CTS). We are collaborating with NoFit State on this production, who are providing aerial performers, and these artists are based in the EU. For their

performances, they use specialist equipment including harnesses. Due to their work prior to joining us taking place in continental Europe, we had to pay customs fees to release their specialist equipment from Germany into the UK. This incurred 2 hours of additional administration time and paperwork, and an extra customs and handling charge of around 30% of the overall value was levied.

Prior to Brexit, there would have been no charges or paperwork needed for their equipment to be transported into the UK from the EU.

### **3. Commercial Clients**

Cardiff Theatrical Services (CTS) is a world-renowned scenery builder and wholly owned by WNO. Recently we have found that clients based in the EU are hesitant to award us contracts due to fears surrounding import duties. A recent client for whom we furnished a large event in London's O2 Arena has now decided to get the same production costed more locally and the likelihood of us getting the EU equivalent of the production is now low. The overall income in London was £500k; equivalent to the same production in The Netherlands that may now go to a European set builder.

In general, it appears to be easier and more straightforward for us to now deal with the US market as they are more used to trading with the UK than most European states.

### **4. Visa rules**

Musicians are currently listed as a skilled worker on the UK Government's [Shortage Occupation list](#) (Number 3415). We have recently recruited a cellist from Italy to join our Orchestra. As well as having to pay visa charges for this recruitment through a Skilled Worker visa, we also have to pay an annual NHS surcharge, which has increased (6 February 2024) by 66% to £1,035; a significant amount.

Under new visa rules due to come in from 4 April 2024 which will raise the minimum salary threshold for a Skilled Worker visa from £26,200 to £38,700 per year, we wouldn't have been able to make this recruitment due to this being above our Company salary threshold for this role. In fact, all our musician salaries would fall below this threshold, except for Section Principals.

Under proposals announced by the UK Government in December 2023, the Shortage Occupation list is to be replaced in April 2024 with a new Immigration Salary List in an attempt to reduce net migration. This concerns us because if musicians are removed from the shortage occupation list, this will further limit our ability to recruit internationally and potentially limit the quality of our ensembles.

Prior to Brexit, we wouldn't have had to go through the Visa process at all to recruit artists from the EU. These additional pressures are a combination of Brexit and changes to existing UK legislation.

## **Welsh National Opera**