

Digital, Culture, Media and Sport Committee

Oral evidence: Promoting Britain abroad, HC 856

Tuesday 29 March 2022

Ordered by the House of Commons to be published on 29 March 2022.

[Watch the meeting](#)

Members present: Julian Knight (Chair); Kevin Brennan; Steve Brine; Clive Efford; Julie Elliott; Damian Green; Dr Rupa Huq; Simon Jupp; Jane Stevenson; Giles Watling.

Questions 171 - 262

Witnesses

[I](#): Nick Brooks-Sykes, Director of Tourism, Marketing Manchester; Gill Haigh, Managing Director, Cumbria Tourism; and Allen Simpson, Managing Director, London and Partners.

[II](#): Kash Bennett, Managing Director, National Theatre; Jessica Koravos, President, Really Useful Group; Jamie Njoku-Goodwin, Chief Executive, UK Music; and Geoff Taylor, Chief Executive, BPI.

Examination of witnesses

Witnesses: Nick Brooks-Sykes, Gill Haigh and Allen Simpson.

Chair: This is the Digital, Culture, Media and Sport Select Committee's latest session—our third—on promoting Britain abroad. We are joined by Allen Simpson, managing director at London and Partners, Gill Haigh, managing director at Cumbria Tourism, and Nick Brooks-Sykes, director of tourism at Marketing Manchester. You are our first panel today.

Before we move on to questions, I will open up to the Committee for any declarations of interests.

Simon Jupp: I would like to declare that I am the chairman of the APPG for Hospitality and Tourism.

Q171 **Chair:** Thank you. I think that is it.

Allen, Gill and Nick, thank you very much for joining us today. I will kick off with a very simple question. In your discussions with any form of government, has the concept of levelling up through tourism, through promoting Britain abroad, been mentioned? Has there been any sort of consideration of that? What do you understand about that context? I will come to you first, Nick, but I would like everyone else to follow on.

Nick Brooks-Sykes: Yes, it has. First of all, levelling up is certainly a discussion that we are having across the regions. There is a recognition that tourism can play a huge part in that levelling-up agenda in terms of the distribution of tourism beyond London. I think there is an expectation that tourism will be part of the levelling-up discussion. The opportunities that tourism presents for spreading the benefits of the impact of the visitor economy across the country is something that we don't currently do as we might best do through that process. Yes, I think there is a huge opportunity to address levelling up through tourism. For example, international tourism to London is worth some £21 billion a year; Manchester, as the second-most visited city in England, gets just 1.9 million visits a year, so a tenth of the numbers that are coming to London.

Chair: As a proportion of the population a seventh, as far as London is concerned?

Nick Brooks-Sykes: Yes, something like that.

Chair: About that, yes. Greater London compared to Greater Manchester.

Nick Brooks-Sykes: Yes, exactly that. There is a huge job to do in terms of spreading the benefits beyond the capital, and levelling up is part of that aspiration from a tourism point of view.

Q172 **Chair:** You are probably expecting a 30% or 40% uplift on your current tourism figures in order to bring yourself on point effectively, where London sits, proportionate to your population?



Nick Brooks-Sykes: I think there is a huge job to do in closing the gap. That could be said equally about other cities across the UK. There is a job to do on this.

Q173 **Chair:** Gill, Cumbria has a huge amount to offer as a destination. It is one of my favourite destinations, I have to say. When it comes to that idea of levelling up—the idea of using tourism as a means by which to spread economic growth and economic involvement across the country—what sort of discussions have you had in that respect? Has it gone beyond just an ethereal idea to something more concrete?

Gill Haigh: I think it starts at the top. We would agree that the Tourism Minister really values our visitor economy and what it can do. Yes, he has spoken to us about the opportunities with regards to levelling up. As a county, we are currently going through a unitary government review at the moment—seven councils are coming down into two, so their minds are elsewhere at the moment—but there is a real opportunity within the county. Regionally, I think that we work very well together in the north-west. Yes, we are looking at that and talking about that among ourselves, but I think it is about how we join that up between London and wider partners throughout the country.

We know that international visitors of course want to see London and other parts of the country, but they are also strongly interested in the rural and countryside offer. Obviously, the Lake District is a world-renowned brand, so there is a massive opportunity for us, particularly extending outside the main holiday season as well, which is very valuable to us.

Q174 **Chair:** Allen, from the London perspective, how do we encourage people to move beyond London, not just to the obvious places—York and Edinburgh and places like that, the key ones—but get them into fascinating places such as Manchester and also obviously Cumbria?

Allen Simpson: They do to a degree. The number from VisitBritain for tourism spend from people who come into London and then go outside is about £650 million. I guess the number is probably larger in terms of pounds spent, but that is the official number. I see that as evidence of the need to do more rather than of a good solid state, but there are two basic ways that you can do it and both rely on accepting the fact that having London as a globally famous brand is a good thing for British tourism rather than a weakness.

You can do it in two obvious ways. The first is you try to encourage people to do two-centre or three-centre holidays. In my youth, I was a concierge in a hotel in Yorkshire, and we used to get lots of visitors who flew into London, up to Edinburgh, then did York, then Lincoln—American tourists always go to Lincoln—and then down to London. You can do it by encouraging that and we have had some success in the past, working together to try to encourage that sort of thing.



HOUSE OF COMMONS

The second thing is to realise that, frankly, it is quite hard to stop people making their first visit to the UK to London, in the same way that most people when they go to the US will tend to go to New York first. But if you can identify the people who have already made that journey, they have already gone and pointed at Big Ben, and encourage them to make their second journey to the UK to Cumbria or Cornwall or the isles of Scotland, then you can use London as a benefit rather than a disbenefit.

The other point that is important to make is that London does, of course, benefit massively from international tourism, but that also means in the last two years we have been particularly exposed. We have a higher proportion of international tourists than any other city in the west and consequently the fall has been dramatic for the one in five people in my city whose jobs rely to a greater or lesser extent on tourism spend.

Q175 **Chair:** Nick, how well does VisitBritain raise awareness of the UK outside of London, do you think?

Nick Brooks-Sykes: I think it is doing a better job. It is getting better at it.

Q176 **Chair:** Is that going from awful to just okay or is it going from okay to better, as in good?

Nick Brooks-Sykes: I think it is doing a good job with the resources that it has. If I was critical, I would be critical of the amount of money that it has to do the job that it needs to do and is expected of it from the industry. It has a huge job to do globally. We are competing globally for tourism and we are competing with cities and destinations around the world. These destinations keep popping up, so tourism is growing around the world; destinations are recognising the impact that visitors bring to local economies and are competing for those visitors. VisitBritain's job is increasingly challenging and it is hamstrung by the resources that it has available. The current rising costs and the balance of the pound against currencies that it works in internationally—all of those things mean that in real terms there is a feeling that its resources are diminishing.

Q177 **Chair:** Are you talking about purchasing power abroad—basically for advertising space and so on?

Nick Brooks-Sykes: Exactly that, at a time when other countries and other destinations are spending more.

Q178 **Chair:** But that should be a benefit overall because obviously foreign visitors are getting much more pound for their buck, so to speak.

Nick Brooks-Sykes: Absolutely, when they are here, but VisitBritain's advertising money in New York, spending its money in dollars in New York, means that it is able to buy less for its spending power in those markets where it is operational.

Q179 **Chair:** I have been on this Committee now for six years. During that time we have had discussions intermittently about VisitBritain, and always it is



HOUSE OF COMMONS

the same discussion: basically, we in Britain spend less than, say, Paris spends, et cetera. That is always the discussion, yet we still seem to do pretty well proportionately to some other countries when it comes to attracting foreign visitors. Are we looking at it the wrong way around? Should this all just be about a central organisation, or should we not be trying to empower individual areas of the country rather than just VisitBritain?

Nick Brooks-Sykes: You are absolutely right. I think that is something that VisitBritain has moved towards. For example, in Manchester's case we have a strategic partnership with VisitBritain. It has agreed funding for us, as Marketing Manchester, to work as the gateway to the north. That money allows us to then go to our partners and match the money. We talk to our partners in Liverpool and Cumbria about how we collectively work together. We then match that money with money from Manchester Airport and airlines, and suddenly a small pot of money from VisitEngland or VisitBritain that has been devolved to Manchester grows into a much larger pot. That gives us much better spending power and allows us to act internationally. I think it is that principle of devolving money down from the centre to support brands. We are on a journey with VisitBritain on destination brands, but it is something VisitBritain does that is to be commended.

Q180 **Chair:** Is there any marrying up between transport and tourism? When I visited Cumbria, walking the Cumbria Way, you sort of end at Lancaster Station and then it is a bus. It is not the greatest transport link, to say the least. That is part of the beauty of the place, in many respects—the fact that it is not spoiled by huge roads or railways and so on—but when you do find that we have a greater investment in transport infrastructure, is there a marrying up between that and promoting those areas as a destination off the back of that?

Gill Haigh: Obviously the west coast line runs through the Lake District and stops three times in the county. We are lobbying at the moment around HS2 and making sure that continues. From an international visitor's perspective, that transportation line, if you like, either direct trains from Manchester into Oxenholme and then a line across into Windermere or straight up from London, is absolutely critical to us.

In terms of that lobbying around HS2 and stops, what we don't want to do is make visitors have to get on and off trains with their luggage and their families and everything else. We want direct lines, because that is what makes it a smooth journey for them.

In terms of transportation in and around the county, there are some very successful tourism-led bus routes—funded projects from about 15 years ago, which have become self-sufficient now. There is a lot more to do within the county, you are right, in terms of enabling sustainable transport. There are some great boats, as you will know, across the lakes and it is then joining that up with bus and rail transport. That is a brilliant levelling-up opportunity project for the county.



Q181 **Chair:** Is there enough marrying up between the marketing side as a destination and the transportation links?

Gill Haigh: It is getting better. There is investment. We have strategic partnerships with Northern rail, Stagecoach, and we work very closely with Avanti. Collaboratively, collectively, we put money in together in order to market those routes to our visitors.

Q182 **Chair:** Has there been any change in perception since the pandemic? Obviously, more people are staycating and that is something that is hopefully going to continue to a degree. Are there any thoughts in terms of finding ways to market those transport links alongside destinations and the conception of staycations?

Gill Haigh: Absolutely, and that is exactly what we are doing right at this very moment in readiness for this season. I think there is a real opportunity. Research tells us that lots of people that came to the county in the last two years wouldn't have ordinarily come or hadn't been since they were little and thought it was wonderful. There is water there and people want water on their summer holidays. We have to retain those people.

We were just saying earlier that people might not choose to come for their main two-week summer break and might still want to go off to different places, but it is how we get them to come and stay multiple times at different times of the year, particularly supporting that extended season.

Q183 **Chair:** It is a bit off-kilter with promoting Britain abroad, but to a degree you can't expect foreign visitors to come to destinations where we don't go ourselves, not in those specific numbers.

Gill Haigh: Yes. I think that goes back to that London point.

Allen Simpson: The two audiences do want slightly different things because you are attracting different demographics. The demographic who will fly in continental are different from people who will take a holiday within driving distance. They tend to be younger and they tend to have a bit more money, for obvious reasons. It is not always the same product and we do need to make sure that we have a product that suits a domestic audience and an international audience. Clearly, the Venn diagram has overlap.

The point is about recognising that if we are bringing somebody to the UK for two weeks, while they might want to spend three days in London, they are probably not going to want to spend two weeks in London. People tend not to do that on city trips. Then, how we can have the infrastructure to get them to the lakes or get them down to Mevagissey Harbour or get them to the islands of Scotland is a policy question. It is probably the most profound barrier to levelling up because everything else is about zero sum loss and gain, whereas if we can increase the number of tourists for everywhere so the one in five people in my city



who rely on this spend aren't losing out in order that it goes somewhere else, that is the approach that clearly we need to take.

Q184 Kevin Brennan: Good morning, everybody. Can I ask each of you in turn what are the main reasons—the three or four main reasons—why inbound tourists come to your particular areas? We have Manchester, Cumbria and London represented. We will start with you, Mr Brooks-Sykes.

Nick Brooks-Sykes: Inbound tourism to Manchester internationally is about using a great airport and an airport that has significantly improved in recent years. There has been £1 billion of investment in Manchester Airport to make it that gateway to the north. I think that central location within the UK is an appeal for people coming to the UK. Having perhaps done London in the past, they want to do more of the UK and see Manchester as being the very centre of the UK, so that location is important.

I think the appeal is that Manchester is growing. Clearly, we are famous for our football, and having two premiership football teams is a great draw for international visitors. Our nightlife is well known to a young demographic and is something that has huge international appeal. Then it is our cultural environment, which is growing and expanding, from the RHS Garden recently opened in Manchester, to Factory, Europe's largest cultural venue, which is about to open in the city, our cultural programme, and around that our events, with our second arena about to open in a couple of years' time. Those would be the big things.

Gill Haigh: The Lake District is a world-renowned brand. The Lake District National Park is a World Heritage Site; Hadrian's Wall north of the county is also a World Heritage Site. We have a lot of famous names that resonate around the world associated with the Lake District: Beatrix Potter, William Wordsworth, Ruskin and so on. They are, if you like, the traditional things that people associate with the county. I do say the county because while we have the Lake District National Park, for us levelling up is about making sure that that visitor economy offer supports the whole of the county, whether that is our coastline or Carlisle or our border with the Yorkshire Dales.

Q185 Kevin Brennan: Does Carlisle get many inbound tourists?

Gill Haigh: It does. Pre-Covid Carlisle was performing very well. The poppies from the Tower here came up to Carlisle. It is the only city in the county as well and it is the big retail offer, if you like. Also it is that border city with Scotland. Again, fantastic transportation connections.

The other thing that is resonating—and I say this with a smile in London—is we have as many Michelin stars as you guys in London now and the most outside of London. I think our food and our drink and our cultural offer is extraordinarily strong.



HOUSE OF COMMONS

Allen Simpson: Of course, one of your chefs brought his restaurant to London, so we benefited from the spill-over, so thank you for that.

The polling on London is quite clear that people are attracted by the mix of the old and the new. People want to go and see Buckingham Palace; they want to go and see Big Ben. Interestingly, the most famous UK landmark globally across the world—the only landmark you can pretty much guarantee that anyone from Schengen to Rio will recognise—is Tower Bridge rather than Big Ben. That is the most famous one.

The new is very interesting. There is a dispersal thing here, which is very interesting. Clearly, we don't want everybody outside your offices here in Westminster. The new matters—taking tourists out to Peckham to have a night out, or to Walthamstow to see the great things it has there. Dispersal is a key part of London's attraction as well. Ultimately, it is one of a limited number of cities that are famous everywhere, so it is a bit of a bucket list thing. That means that we tend to see people take—there is no politer term—the more expensive version of the holiday here. They save up to come to London in the way you might save up to go to Paris or New York.

Q186 **Kevin Brennan:** On that point, we have been told as a Committee that one of the drawbacks about the UK for inbound tourists is the perspective that it doesn't represent very good value for money. I am not asking you to justify whether it does or not, but what could be done to try to, first, make sure it does represent value for money, and secondly, change that perspective if that is something that comes out in the research? I will start with you, Mr Simpson.

Allen Simpson: It depends what you mean by value for money and who you are trying to attract. Another way of thinking about that is that we tend to be able to attract higher-spending visitors and that is a good thing because, of course, it subsidises the offer for everybody else.

Q187 **Kevin Brennan:** But if we are talking about things like levelling up, which Ms Haigh was talking about, and getting around the country, let's face it, getting on a train from London to Manchester will probably cost you more than flying from New York to London.

Allen Simpson: That is absolutely right. I am up in the Lake District at the beginning of next month, I am up in Edinburgh at the end of it, and both are costing me a lot of money, so clearly that does—

Q188 **Kevin Brennan:** How much are they costing you?

Allen Simpson: For me and my daughter to go to Edinburgh is the best part of £200. I am going to drive to the Lake District and that will depend on how much BP charge me, but look, it is expensive. Of course it is. It does come up in the polling, but we continue to be a top-level attraction none the less. I think the interaction between the product and the cost is clearly the key thing.



Kevin Brennan: Any comments from the other two on that issue of value for money?

Nick Brooks-Sykes: It is an issue. The World Travel and Tourism Council ranks us bottom in terms of price competitiveness. I am sure you are aware of that. The challenge is to demonstrate good value for money, even at a high price. The conundrum is if people come to London and have a bad experience they are not likely to return to the UK and that then has consequences for places outside of London that often are second or third visits for people coming back, having done the UK. People coming to UK who are coming to Britain for the first time often come to London, so it is vitally important that they have a brilliant experience and have the perception that maybe it is expensive but it is great value, because then they will return and do other things. The dynamic between London and then those repeat visitors experiencing the rest of the UK is something that we need to address. It is complicated, but it is—

Q189 **Kevin Brennan:** Some things are great value for money. The three big museums on Exhibition Road get more visitors than Venice in a year. It is no wonder they go there, though, because it is free, isn't it? That is probably why they are so attractive.

A couple of final questions from me to you. First of all, our second panel will be about music, theatre, arts and culture and so on. To what extent is music tourism, to take an example—I know the example of theatre in London is very well known—significant in any of your areas, starting with you, Mr Brooks-Sykes?

Nick Brooks-Sykes: It is hugely important to Manchester. Manchester City Council has recently completed a new study on the impact of the music economy in Manchester and recognises as part of that study the impact that tourism has in the ecosystem of Manchester.

You all know that Manchester is a huge centre for music. I think there is some more work to be done to really leverage that appeal from an international perspective. I think Factory opening and the investment that is going into that new building will be hugely significant. The second arena opening in the city will undoubtedly bring more bands into the city, and that will drive more international visitors wanting to see those products. It is a huge part of our ecosystem.

Gill Haigh: It is less so for us, as you might expect, but I think what is very important for visitors in choosing where to go, particularly when they are going with a group of other people, be they family or not, is they want a mix of options. Be that music festivals or stand-up comedians or whatever it might be, it is very important that we have that opportunity and that mix, but I am not on the same scale as these guys.

Nick Brooks-Sykes: I will add that it is not just about the venue either; it is about the impact that those visitors have on the city. For example, when the arena in Manchester has a big concert with 20,000 people at it, the retail in the city benefits from that because people arrive in advance



HOUSE OF COMMONS

and they spend—they spend in the bars and the restaurants, they stay overnight because they are travelling a distance, so it is a big impact beyond just the venue itself.

Allen Simpson: I think that is right. There is a soft power aspect, too. Nobody has done more to promote Liverpool than the Beatles; nobody has done more to promote Manchester than Oasis. That is very profound.

Just to extend the point, you will be aware that London and Partners is the tourism agency for London, but we also do the inbound investment. We do outbound trade and growth and we are the major events agency as well, sort of the department for trade and a visiting agency. The way that we try to think about that is imagine you can bring a young family from Mumbai to London on a holiday and their eldest daughter says, “Mum, Dad, I love London. I want to come back and do my Master’s here.” She comes to UCL, does engineering, goes home and sets up a business. We know that she is significantly more likely to bring that business to London to set up here if she came here as a student and she is more likely to come here as a student if she came as a tourist. The soft power really matters across the board.

Q190 **Kevin Brennan:** Finally, I want to explore one thing that is about soft power in a way and is certainly a bee in my bonnet at the moment. That is about school visits and language schools and so on. I don’t know to what extent in each of your areas that is a big issue, particularly school visits from children from European Union countries and obviously language schools as well, which often are located in seaside towns, but also in cities typically. It is the impact of the changes post-Brexit that the Government have made to require each child who comes to the UK to have a passport.

The report that we have seen by the Tourism Alliance—and we have explored this in previous sessions—indicates that this is having a devastating impact on that part of our tourist sector because previously, if you came from a European Union country, as a teacher you just had to provide a list of the names of the children that you were bringing, and if they needed any sort of identification an ID card would be sufficient. As a result of that, it would appear that a whole sector has been utterly devastated by it. Do you know about this? Do you have any evidence about it or any comment on it? Would you suggest we should recommend something to the Government about this?

Nick Brooks-Sykes: It is a huge concern and it is something that certainly should be on the Government’s radar. There is the immediate impact of students from the EU not coming to Britain because of that very issue, the passport issue and the requirement for passports.

Kevin Brennan: We are told they are all going to Ireland and Malta instead, yes.



HOUSE OF COMMONS

Nick Brooks-Sykes: They are all going to Ireland instead and not only will that impact on those businesses that support the supply chain at the moment, but it affects the soft power in the long term.

Q191 **Kevin Brennan:** Yes, the soft power. Do you remember during the referendum campaign anybody putting up on the side of a bus, "Vote for Brexit to stop all these schoolchildren absconding and taking our jobs," or anything of that kind as a slogan? Because we are told that the Government have said this is what people voted for when they voted for breakfast—breakfast? Brexit. I could vote for breakfast any day of the week; that classic faux pas. But when they voted for Brexit, we are told, this is what they voted for. It is a ludicrous proposition, isn't it?

Nick Brooks-Sykes: It is a huge concern, both for the immediate economic impact that that will have on the seaside, particularly on the south coast of England, for example, and also in cities like Manchester, but also in the long term, where the soft power of those children having visited the UK for the first time as a student, they won't have that heritage and that history and that connection with the country for the long term.

Kevin Brennan: Would either of the other two witnesses like to say anything on this?

Allen Simpson: I feel like Nick has answered that pretty well, to be honest. You only have to walk across Trafalgar Square to see how important that sector is to the local economy.

Q192 **Kevin Brennan:** Would it be a good idea for the Committee to make a recommendation in its report that the Government should revert to the previous arrangement, whereby school parties could come along without every child having to have a passport?

Nick Brooks-Sykes: That would be a good idea.

Gill Haigh: We would welcome that.

Kevin Brennan: Are you all nodding? Would you agree with that as well, Mr Simpson?

Allen Simpson: It seems very logical, but it is slightly outside my bailiwick.

Q193 **Clive Efford:** Thanks for coming to give evidence to us today. I will start with Allen. What is the role of the Mayor of London in promoting tourism?

Allen Simpson: He has a statutory role, which he discharges via us. We are a social enterprise. Just to be boring for a second, we take half of our money from the Mayor of London and we make the other half commercially, including via ticket sales and working in partnership with the industry. He has a formal legislative role. He gives us a grant every year. The legislation would be interesting for this Committee. It is worth having a read because it does have a specific kicker about London's role



HOUSE OF COMMONS

in driving tourism to the rest of the UK, which is one of the pieces of the legislation establishing the Mayor of London that is probably less commented on but is there. Alongside the Deputy Mayor for Business, the Deputy Mayor for Culture and our excellent Ministers of State for London and Tourism, he is also a key spokesperson for us.

Q194 Clive Efford: In your discussions with the Mayor of London's office, are there areas where he would like more powers or additional means of raising revenue?

Allen Simpson: More powers? I think we have the powers we need. London and Partners is broadly considered to be very good at what we do. We were recently named number two in the world in the industry that we are in, so I don't think there is a lack of powers.

To come back to the point that has been made several times, it is about money. We go live in a month with our largest ever promotional campaign, an international campaign based on the Let's Do London campaign, which ran domestically last year. That is going to be £9 million of public money and then supported by the industry financially as well.

New York's equivalent is \$30 million and has been in the field for some time because it was easier to get the money, so I think we would all say—and I would say this of VisitBritain as well, which I have to say does do a better job than commonly understood. I think Sally is an excellent leader in our sector. We are all fighting a battle with a hand tied behind our back, so it is money, frankly.

Q195 Clive Efford: There has been a discussion about the potential for a bedroom tax or a bed tax on tourism. Is that something—I am sure it is—that you care to share your views on?

Allen Simpson: The sector is slightly split on it. Some of the sector thinks that it would be a very useful way of raising the income needed to spend on promotion work, or you could put some of it to product development, maybe less in London but in other areas. Some of the sector are concerned about the marginal increase in cost. As with all of these things, with any tax, even a hypothecated tax that goes back into the sector that it is focused on, it would be a question of how it is levied and the amount if we were to do it. Without seeing details of a proposal, it is hard to comment but I would observe that it gets a very split opinion in the sector itself.

Q196 Clive Efford: I want to turn to the VAT retail export scheme. I will start with you, Allen, but this is something you may all want to comment on. We have had a lot of people tell us that scrapping the scheme was a huge mistake. Do you think this is something that the Government should look into and possibly reverse?

Allen Simpson: I have heard that from the sector in public and in private. It is something that we have heard very forcefully from colleagues in London and elsewhere. I probably shouldn't comment in



HOUSE OF COMMONS

detail on national tax policy but I would be very happy to direct the Committee towards some of my members who could offer a view.

Q197 Clive Efford: I will press you a little bit more. If this is something that impacts on tourism for London, why is it something that you do not feel able to comment on if it is having an adverse effect?

Allen Simpson: Half of our funding comes from the public sector. I do not work on tax policy and I just think it would be inappropriate for me to comment, but what I can do to try to help the Committee is to direct you towards some of my members who could offer a stronger view.

Gill Haigh: I am from an organisation that is 97% commercially funded, so only 3% of our funding comes from the public purse. I am a little freer in terms of what I can say. Although this is probably not an issue that directly affects Cumbria as much, we are part of Global Britain and we are part of the Tourism Alliance and this is certainly one of the top 10 issues that they think is an opportunity. If we can get this right and get this back, this is an opportunity to grow the value of the visitor economy. We are the only country that does not provide tax-free shopping.

Nick Brooks-Sykes: Yes, in the EU.

Gill Haigh: Yes.

Clive Efford: Do you have a comment, Nick?

Nick Brooks-Sykes: I would support the Tourism Alliance position, which really is about asking the Government to look again at this policy. Britain is the only country in Europe that does not offer tax-free shopping to long-haul visitors and we are at a disadvantage now in terms of those long-haul visitors coming to Europe. There is an opportunity for Britain to become more competitive by offering something that Europe cannot at the moment and putting us in a better position in that global market.

Imagine a visitor coming from China—very few are coming at the moment, unfortunately. High-spending visitors from China have a choice to go to Europe, where they can have one visa and visit several countries through Schengen and at the same time benefit from tax-free shopping. Compare that to coming to Britain, where they have to have a visa that is only applicable to the UK and costs more and is longer in coming through the process. Then when they get here they do not have the advantage of tax-free shopping. I think you can see that the UK is at a disadvantage when competing against Europe for those high-spending markets.

Q198 Clive Efford: Thanks. If I could move on to destination management, Nick de Bois recently published his report. Do you agree with the findings in the de Bois report? It seems to have been widely—

Nick Brooks-Sykes: I cannot think of a report that has been published that sets out a complete restructure of the sector or the support landscape for the sector that has such widespread support. I cannot see



anybody who has disagreed with the recommendations of that report from within destinations.

Q199 **Clive Efford:** What are the key recommendations that you pick out?

Nick Brooks-Sykes: I do not see it as an à la carte, really. I see it more as, "Here is a set of recommendations that, if implemented in full, will fundamentally change how tourism can operate in England," so I do not think it is a pick and mix. I think it is a, "Here is a report that says that you need to do this, this and this and, as a result, the landscape will be much better and sharper to be able to adapt to the requirements of the sector."

Clive Efford: Does anyone have anything to add to that?

Allen Simpson: For me, the key thing is providing a formal structure through which the various levels of promotional agencies can work together. I think the de Bois review refers to tier 1: larger DMOs like the Visit London side of what London and Partners does, working in a structured way with VisitBritain, and then the smaller subregional agencies like our own excellent Visit Greenwich underneath. I think that would really help because at the moment we do it through something close to goodwill and collegiality and we are all lovely people. If we can have a more formal way of dealing with it that could have a transformative effect.

The Minister for Tourism, Nigel Huddleston, has made real strides during the pandemic to drive greater collaboration. If we could formalise that through the recommendations in the de Bois review that would be a really positive thing.

Gill Haigh: I would just add that, as destination management organisations, it has been a bit of a mess. There are 157—something like that, possibly more—in the country. That makes it so challenging for VisitEngland, VisitBritain, to work with us in a structured way. I think we were all really excited to read the Nick de Bois review; we almost could not believe that he had managed to get under the skin of it all and to be able to produce something so clear that we could just say, "Yes, that is right." There will be organisations that will have to give way a little bit to other organisations but, actually, what we want is a stronger visitor economy, internationally, domestically, and that provides the blueprint for that.

I agree with Nick. I think it is the sum of the whole but that structure, giving VisitBritain and VisitEngland that structure to work with and create some of those efficiencies and energy, is incredibly valuable.

Q200 **Dr Rupa Huq:** Following on from the de Bois questions, is there anything in that report that you think the Government should stay clear of and avoid? Should the entire thing be adopted wholesale or are there bits that are less good than others?



Nick Brooks-Sykes: I think it has come up with a set of recommendations that has widespread if not wholehearted support. The challenge for the Government is to make sure that it comes with adequate resources to be able to deliver it. My concern would be if the review was implemented in part and was not sufficiently resourced to carry out the job. I think that would be the stumbling block. It does set out a clear blueprint for how the Government's national policy can be delivered locally through a set of organisations on the ground but within a structure, but that has to come with resources.

Gill Haigh: I cannot think of anything that we would disagree with in that report. I think Nick makes a really intelligent point that it almost has to come as a whole and with the resources for it to deliver the value that it can.

Allen Simpson: Yes, I agree with that. On the resource point, if I could press "play" on a rant of mine, tourism is one of our largest exporters. It is also pretty unique as an export, in that—although we are having a conversation about levelling up in part today—it is unusually geographically dispersed and unusually socially dispersed. It is one of the only sectors we have that provides a route from school leavers into management and leadership. That is not common. This is a particularly socially important sector. It has never achieved the level of focus at national government level that it should do. I think that is part of a wider social disinclination to take the sector seriously, which I can put down to nothing other than snobbery.

The fact that the de Bois review in part says that this sector should have a seat at the top table and a proper structure for getting from that top table to those of us who deliver can be really powerful. I think it is an excellent piece of work and I would encourage the Government to implement it in full.

Q201 **Dr Rupa Huq:** Do you want to see a Tourism Minister or something like that?

Allen Simpson: Well, we have a Tourism Minister. There is a question that I get asked a lot—and I am sure Nick and Gill do, too—which is, "Should the Minister be somewhere else in government or should they have more powers?" For me, it is not—

Dr Rupa Huq: In the Business Department rather than—

Allen Simpson: Yes, I mean do you put them in the Business Department rather than DCMS? That sort of thing.

For me, it is more of a cultural question. As a country, we have to take tourism more seriously than we do. DCMS is a good Department. It is full of very capable people. The Minister is ace. I do not think making him sit at a different desk is the point, really. The question is: do we socially and governmentally take this sector—which as I say is one in five jobs in



HOUSE OF COMMONS

London—as seriously as we need to? We tend to call London a financial services city. It is more accurate to call it a tourism city but we would not see it that way.

Q202 Dr Rupa Huq: Would you say that a successful London is necessary for UK tourism to be revived? Another subset question: do you think that we have an anti-London Government at the moment, all this levelling up stuff, the Towns Fund? London is ineligible to—

Allen Simpson: I don't know. The Prime Minister set London and Partners up. He founded us, so I hope he thinks well of what we do, although I have never asked him.

Dr Rupa Huq: That was a previous incarnation.

Allen Simpson: Sure. To your first question, for me, we are very fortunate to have London as an attack brand for the UK. It is globally famous and if you want to do an advert in a market where you want to very quickly tell people you are talking about the UK, you shove a photo of something in London and then you shove a photo of King Arthur's Seat or of the Shambles in Yorkshire or whatever it is.

The question for me is an operational one about how you take that advantage and put it more effectively to the benefit of the whole of the UK. As I said at the beginning, from my perspective you do that in two fundamental ways. You encourage people to travel outside of London more once they get here. The great work that we did with Manchester and Birmingham, when funded by the Discover England Fund, to try to encourage that sort of dual centre trip is an example of that.

The other thing is accepting that people will quite likely want to take their first holiday to the UK in London, but once they have done that, knowing who those people are and encouraging them to go to Cartmel or to Oban or to Ilkley, taking those as your potential visitors, those people who have already been to the UK so you know that they will and encouraging them to disperse. Otherwise, we are like Canute out in front of the tide saying, "Don't come in." This is the truth of the market. The question is how you make it work for the whole of the UK.

Q203 Dr Rupa Huq: Do the regional DMOs work closely with London organisations to get people seeing Britain? Do you have synergy between the three of you?

Nick Brooks-Sykes: We have worked with London and Partners on campaigns, yes, so again it is a conundrum. We are funded by Manchester businesses to promote Manchester, just as London is funded by London businesses to promote London, so you need some glue to bring us together. The de Bois review sets that out so that we can collaborate better and work together. I think we have had some amazing successes. Very recently we worked with London and Birmingham on a campaign in the Middle East, a development offer: two-centre holidays, open-jaw tickets where you fly into Gatwick and out of Manchester. There



is huge appetite in that market for doing that sort of thing. If you come up with the inspirational products and take that to market through our tour operators and our intermediaries, you can make it work and you can show the benefits of both organisations or destinations.

Gill Haigh: We do, and for us we work very closely with Manchester, which is the regional lead because of the airport, which in turn works through London and Partners, and we have been part of some of those open-jaw projects as well.

If we go back to the Government's tourism recovery plan, that does state itself that there is a lack of information on areas outside of London. Therefore, while there are some really good projects—and there are—again it comes back to this momentum and this ability to really continue to raise the profile of other things to do.

We had an Explore GB event last week organised by VisitBritain, a brilliant event. We put ourselves and our partners in front of lots and lots of different international tour operators, but they need more information about what else the offer is. That is a very positive thing because that means there is interest. There is appetite and there is the opportunity to get them to come and stay longer and spend more.

Q204 **Dr Rupa Huq:** It is good to hear that you work together in these sort of package-type situations.

Would you say that you are competing with each other and, in some ways, do you work together to compete with other nations, like France?

Allen Simpson: I don't see us as competition. We are team Britain and we are competing with other international destinations for leisure visitors and for business visitors. We have not talked, for example, about the importance of conventions and conference business, which is a huge part of Manchester's attraction as a destination. One-third of our market comes because of business tourism. In that arena our competitors to attract an international conference to Manchester are not London or Birmingham but are more likely to be Prague or Frankfurt or Barcelona. It is in that environment we have to compete.

Nick Brooks-Sykes: I agree with that. Clearly, to a degree we are rivals. Certainly, for domestic tourism the Let's Do London campaign, which we ran last year, was our, I suppose, frantic attempt to cope with the fact that other places in the UK are more traditionally seen as domestic tourism locations. Many of us have two centre or two experience-type holidays and the UK is reasonably unique that in the space of a really quite small island you can do a beach, a city, the countryside. You can see puffins and seals and go to the National Theatre.

We absolutely—and I think VisitBritain helps us do this well, we work together to do it—try to tell a story of the UK that is there are two very different experiences that you can have in the UK on holiday. I think the



point that you make, though, about the structure and the funding is the thing because I am paid for by London taxpayers and London businesses and, therefore, there is an expectation that there are as many photos of Oxford Street as possible. If we want to be more strategic we will need to find other sources of funding on top, which is what every other major country does.

Q205 Steve Brine: Bring me the puffins and the seals as soon as possible, please.

Could I ask you about post-Brexit Britain? The excitement is building. Let me start with you, Mr Simpson. Do you think the Government have succeeded in delivering a strong vision for the post-Brexit Britain?

Allen Simpson: It is an interesting question—

Steve Brine: Or is it early days?

Allen Simpson: I think it is early days. Look, I am not here to talk about the policy of Brexit in detail and there are people with much more expertise, but there are two things that I would say that might help the Committee. The first one is that we have seen a change in tourism sentiment about Brexit. That is useful to know.

In the immediate aftermath of the vote, we definitely saw a decline in consideration from European tourists to London. By the way, that was before the formal barriers came in, so before visa rule changes or tax or anything else, because it was about sentiment. It was about a sense of feeling bruised, and we can see that has gone away a little bit. That was not just in tourism but also in inward investment, which is beginning to find a new equilibrium.

Q206 Steve Brine: How do you measure the bruises? We can all deal with President Macron's ego but how do we deal with—you say that has gone away a bit.

Allen Simpson: Yes.

Q207 Steve Brine: On what evidence base are you saying that?

Allen Simpson: We poll consideration in markets to see where we can find tourists. For instance, in the campaign that we go live with in a month, we are focusing on the US, France and Germany. That is partly because of the fact that we are still in a place where long-haul travel is pretty suppressed. It also reflects the fact that France and Germany—and as I say not just for tourism but also for our inbound investment work—are recovering in their perception of London as a destination.

Q208 Steve Brine: The polling you are doing shows a clear trend of that softening?

Allen Simpson: Yes, exactly. That is something I would say is helpful.



HOUSE OF COMMONS

The second thing is that clearly—and I think we have had some very useful examples of it—Brexit introduces material barriers, formal and informal, and there was the example of school kids needing passports. Those things must weigh but there is a question of demand. There is a kind of behavioural elasticity of demand. It is not easy to go to the US either but people do.

From my perspective, given that I have no aegis over Brexit policy at all, the key is to make sure that the product in London is as strong as possible and the way that we present it is as strong as possible so that people will bear the added queue at Heathrow. If we can do that, hopefully we can continue to see performance.

Q209 Steve Brine: I think in your written evidence to us you said that Brexit creates risks that have to be carefully managed and opportunities that we will need to be strategic to deliver. If ever I heard a sentence that bridges 52-48 beautifully that is it. Could you give me an example of the risks that have to be managed and the opportunities where we need to be strategic?

Allen Simpson: Absolutely. I will give you two examples of one and one of the other. The two risks that need to be managed are the perception and reality of the practical differences of arriving in the UK, and the perception is actually more damaging than the reality. Then the second one is we have had a conversation about tax policy, which I not so skilfully evaded because it is not my job to talk about it, but we know that that has an impact, particularly on tourists from the GCC, for example.

The opportunity is softer. We have offices for our inward investment work in the US, in France, in Germany, in China and in India, so we have a lot of exposure to those countries. We have friends there, basically. A core lesson is that in parts of Asia Brexit has been perceived to be part of a broader, strategic pivot that the UK is making towards Asia and a sense that if you are a tourist or an investor in India or in China, the UK is saying, "We are in relative terms—relative terms, it is not absolute—pointing towards the south-east of the world." We can see that that has put London in people's minds as a tourism as well as an investment destination, but that is soft rather than hard. That is about sentiment rather than practical economics, but a lot of tourism is about sentiment.

Q210 Steve Brine: Nick, are we taking advantage of the freedoms that we have post-Brexit yet?

Nick Brooks-Sykes: I think that the Government could put their feet down and accelerate some of those Brexit freedoms, as you put it. I think there are some huge opportunities and some of those we have discussed this morning, around visas, around tax-free shopping, around the package travel directive. There are some easy wins, I would have thought, within government that really set Britain apart and demonstrate that it is easier to do things here than historically was the case when we



HOUSE OF COMMONS

were part of the EU. Again, I would say: can we just hurry those things up a bit and demonstrate that there are some freedoms out of Brexit?

Steve Brine: Gill, any comments on the freedoms?

Gill Haigh: No, I would agree with all of that.

Q211 **Steve Brine:** Fine. Mr Rees-Mogg is now the Minister for Brexit freedoms. Have any of you had any contact with his office?

Nick Brooks-Sykes: I am the vice chair of the Tourism Alliance. The Tourism Alliance has made those approaches to talk specifically about the package travel directive and is having a live conversation.

Steve Brine: Have you had a response?

Nick Brooks-Sykes: I am not aware of a response yet but that is not to say that there hasn't been one.

Q212 **Damian Green:** Good morning, everyone. You have talked a lot about money and basically said a lot of the problems are not problems but difficulties that come down to not having enough money. Where would you like that money spent in the tourism infrastructure if, in some magical new world, you get an increased spending?

Allen Simpson: I guess that would depend a lot on where you are. In London I think there are two principal things that we need to do. The first one is demand generation, particularly now. Clearly, for the entire industry there are points over the last two years where custom fell to zero but, even when it was open, London was at times operating at sort of 15% and that is not sustainable, so demand generation really matters.

The return on public money is profound. Let's Do London had a return on public money of 18:1 and I would challenge the Committee to find another way of spending public money that gives you an 18:1 return. Demand gen is a very important thing.

The second thing is about product development. Geopolitical challenges aside, if we want to access the fast-growing consumer economies in the south-east of the world, there are some practical things that particularly smaller hoteliers and attractions need to be helped to do: to take payments from China, to be present with appropriate language websites in the market, and so on. That is quite hard for them to do because the capital expense is quite high and knowing what you don't know is difficult.

In London, if I was spending the money, it would be demand generation, not just on behalf of London but on behalf of the UK, and product development aimed at the new fast-growing markets. Those would be the two things that I would spend the money on, but it will differ.



HOUSE OF COMMONS

Gill Haigh: Yes, not as greatly as we might imagine. In the tourism recovery plan the figures given there are for every pound VisitBritain spent there was a £23 return.

Allen Simpson: That is even better.

Gill Haigh: Obviously, for us we are regional so we would want to see more of that spend produced to support regional tourism in that levelling up, but I do agree with you in terms of product development as well. It goes back to that whole thing about incentivising people to come and then making that experience as simple, straightforward and as memorable as possible so that they go home and tell everybody else what a great time it was and their friends come as well.

Nick Brooks-Sykes: I concur with my two colleagues on product development, We have had a recent example through the last six or seven years of Discover England funding delivering a huge step change in the way that we have been able to develop products and take that to markets. That fund has now finished and I think that is a shame.

As we come out of recovery, there is an even bigger job to be done in terms of developing product. A lot of those small businesses need our support. That product development fund enabled us to do that in the past and that won't help us going forward because it is no longer available. We do need to stimulate the markets and be competitive, so that marketing activity both at a national level but also at a regional level to support our gateway airports would be hugely important.

The other comment would be about how Government spending is being directed in other Departments and making sure that we are leveraging the opportunities for the visitor economy out of Government spending elsewhere. It might be in BEIS. It might be in the levelling-up agenda. It might be across government. Having recognition of the opportunity that the visitor economy presents in those funding deals would be something that I would ask the Government to have a look at.

Q213 **Damian Green:** You are being relatively upbeat but the truth is that, as a country, we are losing market share.

Nick Brooks-Sykes: Yes.

Damian Green: Why? If you had to pinpoint one or two big things—I will go the other way. Shall I start with Nick?

Nick Brooks-Sykes: We have demonstrated this morning that we are almost fighting with one arm up our back in terms of some of the regulation that is in place and making us less competitive as a country destination. The other thing is that we are not playing on a level playing field because of the funding that other destinations are putting into the marketplace. It is as simple as that.



HOUSE OF COMMONS

Gill Haigh: I think the upbeatness is because we know what needs to be done and somehow we work our way through it together. If that de Bois review can be implemented, seriously, the world is literally Britain's oyster.

Allen Simpson: Yes, I agree. There are two short to medium-term challenges that the industry faces, and particularly London, apart from the fact that we very frankly spend less money on this than other countries in the way that we have hopefully demonstrated to the Committee.

The two points I would make are: first, the move from the north-west to the south-east of the world does bring the need to invest because the largest single growing tourism market for us—in terms of both money and people—is China up until the pandemic. We do need to invest if we want to win those tourists.

The second thing is about jet zero. Increasingly, and particularly for younger tourists who are incredibly important, the carbon impact of a flight is a real concern. It is a genuine thing. Right now, people's willingness to take long-haul flights is suppressed in Gen Z and younger millennials. Then in the longer term, if we want to get to a point where we are, let's say, carbon neutral by 2030 but we are not going to be jet zero until 2040, as a long-haul destination for a lot of the world we need to find a way of bridging quite a profound gap, which could have as material an impact on our tourism spread over those 10 years as the last two years have had because of its impact on international flights. Anybody who has tried to book a holiday by plane this year has had a premonition of the future of prices.

Q214 **Damian Green:** Interesting. We have not heard that before. We have heard a lot about visas. Are visas a big problem in terms of the drag?

Allen Simpson: It doesn't help.

Nick Brooks-Sykes: Yes, absolutely, there is a visa issue that has been set out in the papers.

Q215 **Damian Green:** I suspect there is nothing much new to say about that. We all know what the issues are.

One final thought then: it has always struck me that, however you cut the cake, tourism is about 10% of the whole economy. Do you ever feel that with that economic importance your industry ought to be part of a bigger Department than DCMS, that you should be quite a big feature in BEIS, for example?

Nick Brooks-Sykes: There is a longstanding debate about where tourism sits in government, isn't there? Frankly, I don't think it matters if government as a whole recognises the importance of the sector. I think it is down to something that Allen said earlier about recognising that, if we



HOUSE OF COMMONS

were the financial services sector, tourism might have a bit more respect, so I think it is about recognition and respect across government.

The cross-government committee that has been formed, bringing Ministers together, is a huge step forward in trying to align those Government Departments and finding ways of addressing some of the issues. Often the challenges that the tourism sector faces are not in DCMS's gift. They are in other Departments. Aligning how those Departments work together is the important thing, rather than where tourism sits within government.

Gill Haigh: Yes, I agree with that. Tourism was awarded a sector deal just a few years ago. I don't know what that means anymore but at the time that felt like a real step forward in terms of Government recognition of the value of the visitor economy. I think we do struggle sometimes across Departments, and even politically locally, around the perception of the visitor economy as a low wage economy, but look at what it brings in for us and the opportunities that it brings.

A lot of credit has been put forward today for the current Tourism Minister. I think that is really deserved. One of the things he has done recently is set up this cross-departmental group. I think it has only met twice so far, but wherever it sits it still needs that cross-departmental focus and ambition.

Allen Simpson: Yes, I agree and similarly Paul Scully, the Minister for London, who is also the Minister for SMEs, is a very strong presence for us and for small businesses in all sectors.

I will come back to what I said at the beginning. You can make Nigel and Paul go and sit in a different building. I do not think that is the point. The point is a disinclination to take tourism seriously as one of the top table of things that we do in this country, and I suspect that is cultural rather than about machinery of government.

Damian Green: It is sort of old fashioned Civil Service, this is slightly below the salt sort of an industry?

Allen Simpson: Well, maybe. I spent 15 years in financial services and had a lovely time but tourism is more important to more people.

Q216 **Damian Green:** That is not recognised—I am not particularly talking politically—in Whitehall, do you feel, or not enough?

Allen Simpson: I don't think it is recognised more broadly than that. Up until the pandemic, if you picked up the *FT* you would not see many stories about tourism. It is not that there are some nefarious officials who do not care, and many of the officials we deal with are utterly dedicated to this. It is socially. If you stop an *FT* reader and say, "Please name for me the strategic sectors of our economy"—in fact, we have four definitions of the strategic sectors of our economy and we tend not to see tourism that way.



HOUSE OF COMMONS

The example I gave earlier of that young girl who comes here on a holiday, loves the place and then in 20 years' time is bringing her fintech to London, that is how this works. The bit of my job where I am trying to bring high growth businesses to London, crudely we say two things to them, "Your business will grow here and the coffee is good". If we lose one of those two things we are in all sorts of trouble. The National Theatre is, if you like, subsidised by people in the UK going to see its shows. The Government are supporting it but, very importantly, also international tourism. If we lose this demand in the economy, it is not just the tourism sector that suffers, we are all in all sorts of trouble and we just don't see it that way.

Damian Green: Yes. I remember in a conference I was at pre-Brexit, pre the referendum, somebody said, "If you do this, all the financial services industry will move to Zurich." At which point somebody stood up and said, "Really? Do you want to live in Zurich rather than London?" and there was a sort of nodding around the room, so I absolutely get that. The overall background is a huge attractor for other things as well. Sorry, Chair.

Q217 **Chair:** No, that is absolutely fine. Mr Simpson, you mentioned earlier about how Chinese tourism dropped off for obvious reasons, as we can read in the news in terms of Covid and the policies in that area. Are we missing opportunities in other potential growth markets, such as South Korea, which is culturally a mirror of the UK in many respects in terms of popular culture and the way in which it is very much a soft power super power, if you like?

Allen Simpson: Yes, I think that is right. We do a lot of work to identify what we call available demand, so demand that is accessible to us. To make the distinction, in wider trade and investment you talk about trade gravity but trying to identify not just who is going on holiday but who is likely to come on holiday to you. We know that there is all sorts of cultural diaspora, media visibility-type questions that go into that. What we have to do is we have to rank those markets by where we think we can bring in the most people who spend the most per day that they are here.

I certainly think that with, forgive me, a bit more money we could go further down that list. As I said, this year we are focusing on the US, France and Germany. In the long run, our strategic footprint includes China. We would absolutely push that out into the rest of south Asia if we had the cash and, of course, that would also align with the Government's broader trade and investment pivot.

Chair: Thank you for that. That concludes our first panel. Gill Haigh, Allen Simpson and Nick Brooks-Sykes, thank you very much for your evidence today.

Examination of witnesses

Witnesses: Kash Bennett, Jessica Koravos, Jamie Njoku-Goodwin and Geoff Taylor.

Chair: This is the Digital, Culture, Media and Sport Select Committee and this is our second panel today on promoting Britain abroad. We are joined by Jamie Njoku-Goodwin, the chief executive of UK Music, Jessica Koravos, the president of the Really Useful Group, Kash Bennett, managing director of the National Theatre, and Geoff Taylor, chief executive officer at the BPI. Jamie, Jessica, Kash and Geoff, thank you very much for joining us this morning. It is still this morning. Our first question is going to come from Kevin Brennan.

Q218 **Kevin Brennan:** Can I make a declaration at the outset? I have received hospitality in the past from BPI, from UK Music and from the National Theatre. I am a member of the Musicians' Union, the Ivors Academy and PRS for Music.

Can I ask each of you—perhaps in turn from right to left, if that is all right—just how your organisation contributes to the promotion of Britain as a destination for inbound tourists?

Kash Bennett: It was mentioned in the last session. Thank you. The National Theatre is very much a global centre of excellence in terms of the shows we produce. We also have built up the brand of the National Theatre globally because of our NT Live productions, which are seen by 11 million people outside of the UK every year, so it becomes very much a destination and we also transfer our shows into the West End and around the UK.

I could not put a number on how many of our visitors are from overseas. I am just looking at my numbers here. I know 50% of our UK audience are outside of London and the National's work impacts people across the globe.

Kevin Brennan: If you do have any stats after the session on inbound tourism and visits to the National Theatre, I am sure that would be very helpful to the Committee.

Jessica Koravos: I suppose one way of measuring is to look at the number of tickets outside of the UK that our titles have sold. By "our titles", just for anyone who doesn't know, the Really Useful Group produces and licenses the work of Andrew Lloyd Webber, so it is probably 15 shows give or take in circulation at any given time. Since the beginning of the Really Useful Group 35 years ago, that has been 300 million tickets outside the UK. That is one measure.

Another measure would be "The Phantom Of The Opera". Between them, "The Phantom Of The Opera" and "Cats" are the two biggest musicals of all time in terms of the most tickets sold in the world. "Phantom" is playing at any given time in five or six different markets of the world.



HOUSE OF COMMONS

One of the impacts of that has been that the percentage of international tourism, of tourists who attend “The Phantom Of The Opera” in London, is extremely high and always has been. Before the pandemic it was levelling out at about 60% in terms of international tourists.

I think—and someone will correct me here—the West End’s general percentage is about 25% or 30% in terms of international tourists. That is because people have seen the show in their own language and in their own markets over the years, and they are coming back to what they perceive as being the mothership of a show that they love. Sending our shows out around the world creates a tourist response back into the UK.

Jamie Njoku-Goodwin: First of all, I want to start by thanking the Committee for initiating this inquiry into such an important issue and, in particular, inviting us to give evidence because it is recognised that our sectors aren’t just beneficiaries of tourism; we are drivers of it as well and are very important if this country wants to be seen as a thriving tourism industry going forward.

In answer to your question, I would probably say threefold: first, the music industry has an incredibly successful recording sector that has a global reach. You have people who have never come to the UK before who have an emotional connection with British music, who are fans of Sheeran and the Beatles and the Rolling Stones, who have heard this music, love this music and this music presents a view of Britain, presents an image and reputation of this country that makes people want to come here and have an almost emotional connection with the UK, so I think our recording sector is first.

Secondly, are the major events we have all across the UK that act as tent poles. They are drivers for people to come here and visit the UK for that specific concert or gig or event. That might be Glastonbury, British Summertime, Glyndebourne, or Wireless. These are events that people actually come to the UK specifically for but they will then be staying in the UK for longer, spending money in bars and restaurants and staying in hotels, so you have those tent pole events.

Thirdly, the wider live music ecosystem creates a rich cultural fabric of shows, events, gigs and concerts that people might not travel for individually but creates a reputation of the UK as a real home of live music. You can come here as a tourist and you know there will be world-class theatre, amazing music and wonderful cultural events. That creates, essentially, a real driver for people who come to the UK or come to Britain to know that they can have all sorts of experiences here.

Geoff Taylor: Good morning, Kevin. It is nice to see you. Jamie has already spoken about the role of the recorded music sector in promoting British culture overseas. The BPI represents that sector. We have 500 members, including lots of indies from all around the country. Our job is to promote British music. That is our tagline.



We do that in a number of ways: through platforms like the Brit Awards and the Mercury Prize, which promote our artists; through ownership of the charts, which promote British artists; and also on the ground through organising trade missions for our members to places like China, India, Brazil and Los Angeles to meet music supervisors who synchronise music into films. We do a lot on the ground. We also run the music export growth scheme, which is tremendously important and absolutely vital in helping SMEs and small independent labels take advantage of the global opportunities that streaming now offers to them.

Recorded music is the point of entry for British culture in many ways into many overseas markets. As Jamie was saying, Dua Lipa, Ed Sheeran and artists of this type and artists who are not mainstream whom you may not have heard of or who are not household names like Rex Orange County or Central Cee, for example, now get hundreds of millions or billions of streams around the world. That opens up interest into British music and British culture and potentially encourages people to come to the UK or to watch those artists live. I will leave it there for now.

Q219 Kevin Brennan: Thank you. Can I ask perhaps Kash first and then Jessica why UK theatre is such a draw for inbound tourists? What about UK theatre makes it such a draw?

Kash Bennett: It has a huge breadth that you do not get anywhere, including New York. You can easily see anything from a tiny drama above a pub to a huge musical. The quality of our artists is unsurpassed. As we know, a lot of our artists end up in Hollywood or on Broadway. That is our actors, our directors, our technicians and our writers. The quality of the work and our breadth is extraordinary and unsurpassed.

Jessica Koravos: Yes, I agree with that. Also, there is a combination in the UK of the subsidised sector and the commercial sector and the way they weave in and out with one another, the training afforded to artists in this country and the money put into new work, which then transitions both the talent and the work into the commercial sector. That combination is potent in the UK and they do not have that in the US to nearly the same degree, for example.

There is also the history of the home of Shakespeare and the building stock that we have, the ability to go to "Frozen", say, in the Theatre Royal, Drury Lane, a place of huge historical significance. You can go to Stratford-upon-Avon or the National Theatre, famous, well-known and historically important places. That is definitely going for us as well.

Q220 Kevin Brennan: In your answer there, you described a sort of ecosystem that exists within the creative industries in the UK. Traditionally, the Government have tended to see this as a subsidised sector and a commercial sector, but in fact that ecosystem operates interchangeably and as a whole. My brother is an actor. He has worked in a little room above a pub and he has worked in a West End musical. Whether by design or by accident, we have a system that creates



something unique. It is not simple as a commercial sector. The film industry has a huge tax credit from the Government, but there is a theatre tax credit as well. The ecosystem works quite well and we should remember that. Is that a fair assessment of what you said?

Jessica Koravos: Yes, that is exactly right. It has been chipped away at and it is being chipped away at constantly. We should not take for granted that because that has made us successful, we will remain successful. That ecosystem that we have has to be recognised for having delivered what it has and maintained.

Q221 **Kevin Brennan:** Okay. Jamie and Geoff, in the 300-plus pages we received of written evidence to the Committee on this inquiry VisitBritain is mentioned 123 times but neither of you in your submissions mentioned VisitBritain at all in your 17 pages. Is VisitBritain's engagement with music bad?

Jamie Njoku-Goodwin: We have had little engagement with VisitBritain. I spoke to them before coming to this Committee and, again, this Committee has been quite a helpful motivator in trying to make sure we have a better relationship with them—

Kevin Brennan: Why did you not mention them in your submission?

Jamie Njoku-Goodwin: That was two days ago. Again, there is a sense that we have not had a relationship with them. We did some things with them eight or nine years ago, but there has not been the relationship that we probably should have had with them. We want to do a lot more going forward.

We have had more relationship and more engagement with the GREAT campaign than VisitBritain but, even then, it has often been operational and tactical. It is more sharing stats or promotional material than having a proper, in-depth, strategic conversation about what is going on, which there are huge opportunities for looking a year and a half out and saying, "These events are happening here. How can we help these, use these and work with you to help this drive tourism? If we know thousands of people are coming to a field in Somerset, what can we do to work with you to make sure you capture that locally? Can we do more for tourism locally and make sure people coming to London also go more out around the country?"

Those conversations have not been happening with VisitBritain. We have not had a relationship with them until about a couple of days ago. We want to do a lot more going forward.

Geoff Taylor: I have a similar answer. We have had quite a lot of engagement with GREAT over the years and we had a partnership with London and Partners around BRITs Week a few years ago, which went on for several years, but not with VisitBritain. They have never reached out to us and it is probably an oversight on our part that we have not reached out to them.



Q222 Kevin Brennan: If this Committee were to make a recommendation in our report about that relationship between the music industry and VisitBritain, what ought it to be?

Jamie Njoku-Goodwin: I would like to see us having a strategic relationship with VisitBritain that, again, builds us in at a strategic level. In a previous job, I worked in government and we had a visit with VisitBritain to India a year and a half before the Cricket World Cup happened in the UK. India is a big market for cricket, so VisitBritain organised a big thing 18 months before that to go out and essentially drum up support and get people to come from India to the Cricket World Cup. That was fantastic and it was great that they were doing that for sport but, again, we have not had that sort of engagement on the music industry side.

Making sure that we have a relationship with VisitBritain would be good and fantastic, not just operationally and tactically but engaging at a more strategic level, making sure that the huge opportunities all our sectors can generate for British tourism can be properly captured and utilised, and making sure that the fantastic opportunities we have to bring people and drive people to visit the UK are made the most of.

Geoff Taylor: To build on Jamie's answer, the UK has an opportunity to promote itself much more effectively than it currently does by engaging with music, planning music events and showcases around the world around other events, whether trade negotiations or visits that VisitBritain might organise. But even when we have had engagement with GREAT, often it has been a phone call three weeks before saying, "Can you get Ed Sheeran to Jakarta for us?" It is not particularly feasible.

If we had a plan to target certain territories that are key destinations and if we knew that one had to organise four events during the year with at least six months, preferably a year, run-up, and could look at who is on tour in those regions at the time, we could actually make something happen. But that requires investment and planning, which so far has not happened.

Q223 Kevin Brennan: While we have you here, Geoff, I could ask you one question. Last year we issued our "Economics of Music Streaming" report and subsequently I introduced a Private Member's Bill about this. Government Ministers at the end of the Second Reading said, "We acknowledge that there is a problem and that the industry needs to do something so that the Government does not ultimately have to legislate," which is always the preferred way forward. Is the industry in discussion with representatives of musicians, composers and so on to come to a deal and find an agreed way forward around all of this?

Geoff Taylor: As you probably know, a lot of work goes on under the aegis of various Government committees. The Government set up a contact action group following their response to the Select Committee's report and separate committees and working groups looking at



transparency and metadata. There is a huge amount of engagement from BPI and members directly in those groups. We are looking at how we can better improve the operation of the music streaming market, in particular transparency, data flows and so on.

As you expect, some conversations also go on about other ideas and some dialogue goes on with the MU, the Ivors Academy and the various groups involved such as MMF, FAC and so on. Everyone is working to try to find the right ways forward that can make Britain even more successful in streaming.

Kevin Brennan: I will leave it there. I do not want to wander too far off-piste, Chair.

Q224 **Chair:** Thank you, Kevin. To follow on your point about getting Ed Sheeran to Jakarta in three weeks, how much notice do you need not just to get to Jakarta but to generally marry up with a major event in the UK? For example, there were great challenges with COP26 with Covid, but there was—let us be frank—a rather tragic fringe event when it came to music and theatre. What we needed was to sell Britain, so to speak. How long would you need to work that?

Geoff Taylor: It varies very much, which is not a helpful answer, I know. Twelve months gives plenty of time. You would know that a big tour is happening and you would be able to work around that. It is possible at times to do it in a much shorter lead time, but the longer notice you have, the more artists are potentially in play for that opportunity. Certainly, a few weeks would make it virtually impossible.

Q225 **Chair:** Jamie, you are nodding there. Do the Government at present have any sort of clue when it comes to marrying up our fantastic creative sectors with these international events that we host? For example, we have the Commonwealth Games coming up this year.

Jamie Njoku-Goodwin: I get a sense that some people in government want us to. I had a conversation with Nigel Huddleston, Tourism Minister, a few months ago about making sure that there was a music offering and that we could work with officials, but the officials said, "It is all in hand. It has all been sorted." I look forward to watching the Commonwealth Games to see how much it has been.

There seems to be a real push from some people in the Government to make sure that we are linked in, but the problem for us as a sector is that we are not built in at a strategic or a process level. It is sometimes quite ad hoc, quite informal and last minute. We need to make sure that the Government recognise the role we can play and also the supply chain and the time it takes to organise these sorts of things.

We definitely found over the course of Covid that there was limited understanding in the Government of just how long a planning cycle we saw. There was an issue with insurance and we were talking about how decisions were made about events that should be happening in 18



HOUSE OF COMMONS

months' time. There was a thinking in the Government that you can think two or three months ahead and that is all you need.

Q226 **Chair:** I am well aware. I went to see the Chancellor and suggested to him in November 2020 that we needed insurance for the following summer. The response at that particular moment, although he definitely came through for us in the end, was, "Why on earth are you coming to me this early?" The obvious answer is the one you have just given.

Kash, you were nodding your head when Jamie was speaking about how these things perhaps die at officials' desks. Like Jamie, I am looking forward to the musical and creative sector created by the officials at DCMS at the Commonwealth Games.

Kash Bennett: In fairness, our opening and closing ceremonies are usually pretty good, but a vast amount of planning and resource goes into them.

We have faced a couple of similar problems getting stuff together from scratch. Depending on how bespoke it is, it takes 12 months to two years. But around that is often quite baggy thinking about the aim of what we are doing and what is expected of the theatres within that. We need clearer directives.

Something specific around COP26 could have taken a year. Showcasing some of our brilliant shows could have taken three months. It depends on what it is.

Q227 **Chair:** It is often an afterthought?

Kash Bennett: Yes.

Q228 **Steve Brine:** This is a great panel. Some of this has been covered, so I will touch briefly on it.

Jamie, in your written evidence you talked about music export strategies. We have to try to put together recommendations from all the evidence we have received, written and oral. Talk us a little bit through your music export strategies.

Jamie Njoku-Goodwin: An issue is that lots of different bodies do lots of different things on music exports. Lots of them do well. MEGS can boost and promote artists abroad and has a fantastic payback. We have the music export growth scheme, the British Council doing good and interesting work on the music side of things, the DIT doing work here, the GREAT campaign and VisitBritain. It sometimes feels like it is not joined up. There could be huge opportunities if we were a bit more strategic in joining up a lot of these issues and bodies.

It is sometimes problematic for us as a sector because this often falls across lots of different Ministers in different Departments and also within the same Department. Stephen Parkinson is doing fantastically as Arts Minister. Julie Lopez is also a fantastic Creative Industries Minister and



HOUSE OF COMMONS

Nigel Huddleston is the Tourism Minister. We find ourselves speaking to all three and all three are good to engage with, but that sometimes makes it hard to be strategic. That is just within DCMS because we have to engage with all sorts of different directorates and Ministers.

Q229 Steve Brine: You mentioned earlier that you talk to officials and they say, "It is in hand. Don't worry." Is that a capacity issue? Is it a quality issue? Is it a desire?

Jamie Njoku-Goodwin: To be fair, lots of officials we work with at DCMS are absolutely fantastic. Often, when they say it is in hand, it is. I do not want to suggest that it always is not. But again, we want to have these discussions at the start, not as an afterthought. If we can work with the Government and work with these different agencies at a strategic level from the start, saying, "We know that you focus on these areas and regions. We know that we have these events coming up. We know that this is your strategic purpose and outlook. How can we as a sector help?" that could be a win for us as a sector because it would boost our exports and help us commercially, and also a win for the Government because it could, again, help them internationally and in terms of drawing more—

Q230 Steve Brine: Other than the heavy blow from Phil Collins yesterday, which genuinely was a heavy blow, what is the biggest threat to inbound tourism when it comes to music?

Jamie Njoku-Goodwin: Long term, a big thing is music education. Where is the next generation? There are all sorts of fantastic examples. The Beatles bring in £82 million a year for Liverpool 50 years on. We can see fantastic things that Adele, Ed Sheeran and the current generation are doing. The sector worries where the next talent is coming from, what the talent pipeline is like and how to keep that strong. That is a longer-term issue.

It is key to recognise that a strong domestic live sector attracts people internationally. VAT going up in a week's time is not particularly helpful. Make sure we have the support from the venues for grassroots music but also recognise that exporting impacts tourism. Making sure we have those strong export strategies can benefit us in terms of inbound tourism.

At a previous session it was brought up that the border is the first time tourists experience the UK and Britain. That is true in a physical sense but, in an emotional and cultural sense, their first experience of the UK is often in the films they watch and the music they consume. They feel, often from a young age, an emotional and personal relationship with the UK. That is important.

Q231 Steve Brine: Finally with you, while you have the mic, this Committee talked a lot with Lord Frost when he was in office about music and theatre groups wanting to tour the EU. We had a quite challenging session last year. He now seems to have come around to our way of thinking since he left office, which is helpful. Would you care to comment



on whether it is now better and easier for music groups wanting to tour in the EU?

Jamie Njoku-Goodwin: The situation we face with Brexit is a bit of a nightmare for the music industry. It is challenging for bigger, established acts because of rules on cabotage. It is especially challenging for younger, new, emerging artists, who want to tour Europe and who have gone in the space of a year and a half from having a single set of rules to navigate to having a real patchwork of different rules, some easier than others. It has been deterring artists and it has been deterring bands.

We are trying to have clearer guidance on the rules and making sure we have some sort of information hub to set out to people the rules they face. Also, we want to try to make it a lot easier to tour the EU. Ultimately, these people are ambassadors and they go out to the EU and build fan bases and encourage people, either this year or next year or down the line, to say, "I saw that band when it toured Vienna. I would like to go and see them in the UK."

Q232 **Steve Brine:** But we are not there yet. There is a long way to go. Geoff, what do you think about the whole issue of export strategies and the conversation that Jamie and I have had?

Geoff Taylor: We are presently much too unambitious. When we look at the performance of the recorded music sector in terms of exports, in monetary terms we have done well. Our export revenues were about £200 million in 2010. We have grown to £520 million in 2020, which sounds like a great news story, but this is in the context of a rapidly growing global market for streaming, which is expected to increase from around £25 billion now to at least £35 billion by 2030.

The UK will not seize that huge opportunity for growth unless it maintains or grows its share of the global marketplace. Our global market share has fallen from about 17% in 2015. We did well last year—we had about 12%. We had strong Adele and Ed Sheeran albums, which helped, and a Coldplay record, which was fantastic. We did well but, over time, our market share has fallen. We need to invest more to compete for consumer attention in other markets.

We see other countries do that. South Korea, as mentioned in the earlier session, has put enormous government investment into growing its entertainment industry. In the UK we have this Music Export Growth Scheme, which the BPI helps to administer, and we are grateful for the support that gives to independent labels. It has given about £4.5 million to 300 acts, resulting in £52 million back in exports revenues, so it is tremendously successful. But the level of the funding at the moment is £500,000 a year.

That, in my view, is unambitious given the scale of the global opportunity. If we assume that our music industry will continue to be as successful in the future as it has been in the past when other countries



HOUSE OF COMMONS

invest more, then we are being foolish because we will not maintain our level of success without investment.

Steve Brine: We have so much to get through, Chair. I will hand back to you.

Q233 **Chair:** That is fine. Jessica, I saw you shaking your head. I imagine you feel frustrated when we talk about EU visas and touring. Are we in exactly the same position as we were six or 12 months ago?

Jessica Koravos: It has not gotten much better and EU touring has not come back. It is slightly easier for a band to tour than for a theatre to tour. When you start talking about trying to take a theatrical production through the EU and you talk about 100 people instead of 20 people, it becomes incredibly challenging. The volume of fees involved is enough to make it uneconomic.

Q234 **Steve Brine:** Chair, to conclude, is the rubber about to hit the road on this? We discussed this with Lord Frost. The pandemic has been a horrendous experience on so many levels. It has disguised this problem for obvious reasons. Is this about to come to a head?

Jessica Koravos: In the current circumstances, I would not dream of sending a UK production into Europe. I have, in fact, made a decision to bring a production of "Phantom" that has been put together in China into the EU because it is more straightforward and less expensive.

Steve Brine: That quote says it all.

Q235 **Chair:** Why is it specifically more straightforward to bring a production from China, which is several thousand miles away, into the EU than it is to bring one from the UK, which is 20 miles away?

Jessica Koravos: You can put it together as a unit touring company with a single application that goes into the Schengen area. You get one permission for the whole production instead of having to deal with a series of individuals.

Chair: Kash, you look similarly frustrated.

Kash Bennett: Absolutely. We have discussed this. A lot has been masked by Covid, you are absolutely right. Given that, as I mentioned earlier, you book a tour 18 months to two years out, we are not even doing it at the moment for Europe. We will wait and see if anything moves or anything changes. Right now, we have no plans.

Q236 **Chair:** There is an impact of this on promoting Britain abroad and the idea of our cultural soft power, which is a key element of our offering as a country. I imagine the fact that we cannot perform in other countries in the EU, our nearest neighbours in two markets, France and Germany, which we are specifically looking at right now to try to bring tourism in, must be having a huge impact on that soft power element.



HOUSE OF COMMONS

Kash Bennett: Yes, I expect so. We were due to play in Paris before the first lockdown and we have not revisited those dates at all. We concentrate, however, on south-east Asia, Australia and the US.

Q237 **Clive Efford:** Thank you for coming to give evidence today. On that note, what is your assessment of the Government's proactive or otherwise engagement in your respective sectors to promote Britain abroad?

Kash Bennett: It is hard because we work in so many places across the globe. We certainly do not work with the British Council, for example, because that is about cultural exchange. In terms of the Government working with us, I am not specifically aware of any one strategic plan. We worked with the Government in China, for example, when we produced "War Horse" there, but strategically it is missing.

Q238 **Clive Efford:** Specifically in terms of promoting Britain abroad and engaging with your sector, are the Government missing out?

Kash Bennett: Yes. It comes down to the resources. Again, we were talking yesterday about VisitBritain's big campaign in New York at the moment. We are trying to do a reciprocal Broadway-West End campaign but the resource, compared to the resource in New York and what New York spends on getting people to go to the theatre there, is lacking.

Q239 **Clive Efford:** When you say that, is New York spending the money?

Kash Bennett: That is specifically New York. However, federal government money supported commercial theatre throughout the lockdown, which is being spent on advertising in New York. Advertising revenue is everywhere. Some of it is federal government and some of it is New York specifically.

Jessica Koravos: It is worth saying that it is about the scale of spending. Having listened to the end of your last panel talking about the incredible return on investment that these campaigns have when they happen, the same is true of show marketing spend and event marketing spend. But if you compare the West End to Broadway, our shows have had little to no support from the Government through the pandemic to the point where we do not have any money to spend on marketing let alone marketing abroad.

With our Broadway equivalents, for example, "The Phantom of the Opera" in New York received a \$10 million federal grant to get itself back up and running, most of which has been spent on a national marketing campaign to persuade people not just to come back to Broadway but to come back to "Phantom". In addition, the State of New York has given a theatre tax credit of 25%, which is similar to the UK theatre tax credit but it includes marketing spend and advertising spend, which is excluded by the UK scheme. All of the stimulus on encouraging the events and the products to market themselves and the return on that has been huge. Broadway is near back to normal sales now and the West End is still far behind.



To take another example, I was in Australia—I apologise for the carbon footprint but live entertainment means you have to go. The Government of New South Wales have spent \$200 million on funding events in New South Wales, including subsidising theatre when it was at half capacity, to keep those shows running so that they did not close. They presented an incredible production of “The Phantom of the Opera” on Sydney Harbour, which is why I was there. In addition, they have spent \$300 million over the last four years promoting tourism into New South Wales. We are nowhere on the scale of what these other countries—or even states in these countries—are spending.

Q240 **Clive Efford:** Are you saying that if the Government were more proactively engaged with you, they would do better?

Jessica Koravos: With some small tweaks—the theatre tax credit is an incredibly good example, but VAT, as Jamie said, is another one—we can be got to spend the money ourselves. The Government do not have to spend the money; if the support is there to enable us to market ourselves, we will. When we do that marketing, the same as the tourism body marketing, it is incredibly effective. A person buying a ticket is also a person with a hotel room, a restaurant meal and all of the other things that support the rest of the economy.

Jamie Njoku-Goodwin: Lots of it will happen at different levels, particularly with venues. The O2 will have a good relationship with Visit Greenwich and the local DMO. With VisitBritain, we have not had the relationships now to speak too much on that. There will be promotion at a DMO level but not pushing brand Britain at a top level.

Initiatives have been successful. Two or three years ago the British Council did a UK-Russia Year of Music, which the current circumstances suggest probably didn’t work out so well. They had 235 events in 34 cities across Russia and reached 48 million people. That was promoting British artists and British culture. Arguably, we have had a huge benefit from that, but I ask how embedded in the wider strategic cultural exports focus that was. Lots of successful and effective work seems to happen in individual schemes, but more can be done in terms of promoting Britain abroad as a brand and as a plc, especially involving all the creative industries and the creative sectors.

Geoff Taylor: Perhaps I could build on that. First, we do work well with the Department for International Trade when we organise these trade missions and take people. For example, at South by Southwest, a lot of British acts including Wet Leg and Yard Act and others got lots of attention over there, which is fantastic. More of that is to be encouraged as well as more showcases for British artists overseas.

I mentioned the music export growth scheme, which is a tremendous way of unlocking private investment, which we talked about earlier. It encourages UK indies to invest their own money in marketing their acts overseas and growing their businesses into global businesses rather than



HOUSE OF COMMONS

just UK companies. Certainly, additional investment into that would make a lot of sense.

The possibility of either a creative industries exports office or a music exports office bears examination. Independent companies need not just support in terms of finding but also market intelligence. They need to understand the basics of the market and the contacts of the media in that territory. They need to know the local TV stations, local radio stations, local social media companies and so on. That is certainly worth looking at.

Jessica mentioned tax credits. You can only export what you create. You have to grow IP in the UK. If you win that battle and your pipeline of talent, as Jamie was saying, is stronger and you have strong music education combined with incentives to encourage greater levels of investment in the UK, then we can do better. Music has been somewhat the poor relation when it comes to tax credits. The Government have always looked at the music industry as commercially successful and, therefore, not needing the help. That is not the correct analysis. It is about unlocking additional marginal investment that otherwise will not take place because it reduces the risk profile of a particular investment if the Government support the creation of content in the UK. All those things put together can certainly represent a big step forward.

Q241 Clive Efford: You do not all have to answer this. Is there a difference in the engagement from the Government and from local government? Are they more proactive in engaging with you and assisting you in delivering in your areas?

Geoff Taylor: For us as recorded music, that is the case. It is mainly with central Government. When we look at events outside London, one can talk to local administrations and so on.

Jamie Njoku-Goodwin: Yes. I suppose it is challenging as a national UK-wide organisation to make sure you have the focus locally, but we have had a number of partnerships and relationships, for example, with the team in Liverpool and the Music Board in Manchester. We try to do things as locally as possible but often an organisation like ours needs those local links and local relationships and also to try to make this stuff happen on a national level with that strategic focus.

Q242 Clive Efford: Can I ask you about London? Does London see better year-round tourism because there is more to do, places to visit and places to eat?

Jamie Njoku-Goodwin: As a proud Londoner, I can say we are the administrative capital, political capital and financial capital. A lot of things historically have been focused towards London, which means a lot of things happen in London and there is a lot to do in London. But in terms of music tourism, from our stats in 2019, so pre-pandemic, 12.6 million music tourists travelled to areas in the UK and internationally and 4.1



million of those went to London—only a third went to London. A huge range of people travelled to other areas of the UK and other nations. For example, 1.5 million music tourists went to the north-west of England and spent £477 million.

One benefit of the music industry and theatre is that we are quite well spread across the whole of the UK. Big shows happen in London but big shows happen in Manchester, Glasgow and Leeds. There are huge benefits to the creative and cultural industries. If you want to drive tourism across the whole of the UK, make sure that local areas have a cultural offering, have live music, have live drama and theatre.

Q243 Clive Efford: A question I was going to ask you was about whether the Government do enough to facilitate theatre and drive all-year-round tourism in the regions. It sounds like you do a lot yourselves. Is there a role for the Government? Could the Government do more?

Jessica Koravos: Yes, in the sense that it actually all comes down to marketing and telling people what is happening. Geoff was talking earlier about how it would not be that difficult to get a co-ordinated calendar together of what is going on in theatre and in music and to hook up with VisitBritain, Visit London and those different boards. Of course, tourism is a longer lead time planning activity. Getting that information out into the ether and other countries in a timely way would be excellent.

When it comes to theatre especially, a lot of new material originates in producing theatres outside London, but they are small budget and often subsidised organisations. It is hard enough for them to tell the London theatre community that they are there and to come see it, let alone to try to attract tourism to what are often limited runs, but it is some of the best theatre in this country. Definitely look at those production theatres. Those are big moments, often with big stars.

Q244 Clive Efford: Outside and away from London, do you encounter problems with infrastructure, skills, transport links and things like that?

Jessica Koravos: We have encountered problems post-pandemic because of the unfortunate match of the furlough scheme with the way theatre runs. Most of the people involved in it including all the actors and musicians are self-employed, which meant that during the pandemic there was no furlough for those people. They left the industry in droves and have not come back.

Theatre tours and also music tours around the UK are limited by trucks and buses, of which there is an enormous shortage in this country right now, and also tech crew. If you cannot get a sound designer, you cannot go. Those people have moved either out of entertainment altogether or into film and television.

Kash Bennett: Yes. We found that also a lot of the local theatres and a lot of the staff had simply drifted away, not to come back. Recruiting marketing staff and box office staff has been a huge challenge for those



venues and has taken a lot of time. Because nobody knew exactly when we would be able to start again, the long tail of Covid has left a lot of those theatres—and I am sure music venues—understaffed and with no marketing staff at all in some cases.

Jamie Njoku-Goodwin: Over the course of the pandemic our sector went from 198,000 people working pre-pandemic to 128,000. A third of our people have essentially left the industry. Our hope is that that is a temporary exodus and we can attract lots of these people back, but there is lots of anecdotal evidence and lots of people I know have left the industry to work as estate agents. Things have started up again now and they are thinking about whether they want to come back in.

Q245 **Clive Efford:** These are problems across the board. They are not specific to any particular region. This is just—

Jessica Koravos: Yes, across the board.

Geoff Taylor: Across the board, we are concerned about the longer-term effects on our musical infrastructure. These music venues are often small businesses and are at risk. UK Music, of which we are active members, has been calling for an extension to the business rates relief for music venues and reduced VAT on cultural tickets. We are in the recorded sector, not mainly in the live sector, but we see the importance of these venues to the talent pipeline. It is important that we protect them around the country.

Jamie Njoku-Goodwin: The venue point is important in terms of their impact on tourism. When you speak to lots of these towns and cities, they try to make sure they do not just focus on summer and also go from being a daytrip economy to an overnight economy. Music venues with live music in the evening or live theatre in the evening can happen all year round and can make sure income is happening throughout the year.

Also, if you want to go from being a place someone visits for a day before going back home or back to a major city, having a live music venue or having a theatre is a real driver for encouraging people to stay overnight. They will pay for hotels, restaurants and bars. It is an important part not just of the music ecosystem but of the wider tourism ecosystem as well.

Jessica Koravos: It is worth adding insurance to that infrastructure point. Covid is still with us. It is still closing down shows and it is still closing down tours. You still cannot get insurance for Covid-related closedown on any kind of economic basis for any tour or show. That is another reason that people are holding back. They are not going out and they are not touring because of that risk.

Geoff Taylor: Perhaps if I might add a personal experience to that, we had to insure the Brit Awards for Covid risks. The cost was absolutely astronomical, many hundreds of thousands of pounds, for one night and then we were covered only if the Government cancelled the event legally.



HOUSE OF COMMONS

The real risk we faced was that people did not buy tickets or we undersold against capacity because people were concerned about Covid and because of the limitations we had to put in place for health and safety. We had no protection for any of that, only for if the Government actually banned the event. We spent hundreds of thousands of pounds for that one eventuality. It does not make any sense. We felt we had to do it. None the less, for most promoters, it would be impossible.

Q246 Dr Rupa Huq: I have a couple of questions on how competitive the UK hospitality sector is. We heard in that last panel that the World Tourism Council ranks the UK at the bottom of the pile. A lot of people tell us that Britain is expensive and not good value for money. Is that assessment correct and, if so, what can we do to sort this out?

Kash Bennett: It certainly is not true in terms of theatre ticket purchase, for example. London is competitively priced compared to Europe and it is considerably better priced than Broadway, for example.

Jessica Koravos: Like a third.

Kash Bennett: Yes, it is a third of the price, absolutely, to see a show in London. There is a lot more accessible ticketing in London across all of the commercial shows. I know you do a lot of it and we do a lot of it for young people. It is competitively priced globally.

Jessica Koravos: It is interesting that that is not the perception but it is the reality for entertainment here compared to Broadway and compared to Hamburg, for example. After Broadway and the West End, Hamburg is the third biggest theatre market and is at least on a par with London if not slightly more.

Jamie Njoku-Goodwin: The price versus quality argument can be difficult to get into, but the UK has the best music offering in the world and it has the best theatre offering in the world. It makes it hard to decide where to go on holiday because everything I want to do is here in the UK.

In terms of competitiveness, I stress that VAT is about to go back up to 20% on tickets. In Spain VAT is 10%. In France it is 10%. In Germany it is 7%. In Belgium it is 6%. The European Commission says the EU average VAT for event tickets is 10.3%. We have a competitive disadvantage in terms of tickets.

Demand will be the answer there. Hundreds of thousands of people come to the UK every year for our creative industries, for our theatre, for our music. I was speaking to the Royal Opera House the other day: 75,000 people come from abroad, which is worth about £7 million to a single institution. You get similar numbers for the O2 and the National Theatre.

The emphasis is on trying to make sure that the attraction you see in terms of overseas visitors coming to London is matched and mirrored in terms of overseas visitors going to other countries. We see the huge



benefits it has for London, the London culture and the London economy to attract these people. We want to make sure we can do that across the whole of the UK as well.

Jessica Koravos: I suggest that maybe the reason that we do not top that table is because we do not spend competitively to tell people that we are here, not because we are not competitive once they get here.

All you have to do is look around at the Shen Yun, the Chinese dance and music show, which is the top spending theatrical attraction in the UK at the moment in terms of marketing budget. In Australia, it is all over the place. In Spain, it is all over the place. The Chinese Government are funding a cultural product and spending millions on taking it around the world and promoting it around the world. It works. It has become popular in most countries of the world.

Geoff Taylor: I agree that it is about marketing. I was reading an interesting piece today about how South Korean bands work with Indian music artists to penetrate the Indian market. We have to end this idea that because we are English language and because we have a great music legacy our success will naturally follow. Other countries invest much more heavily in marketing their music as a national strategic priority than we do. We need to step up our game.

Puerto Rico has 3% of the global market now. Other Latin American countries are starting to outperform. Alongside Canada, which does well, and Australia and other markets that have been there for a while, we now have rising markets such as Colombia, Puerto Rico, South Korea and so on, which take a growing share of the global market.

We need to compete with those by promoting our culture. As my friend Tim Davie says, where culture goes, trade follows. We have to invest in promoting our culture overseas.

Q247 **Dr Rupa Huq:** Do other issues drive perceptions of the UK being costly? We have heard in previous weeks that just getting from London to Manchester is three figures minimum. Could more stuff be done between departments, like some sort of package deal? You said ticket prices are low and you see at the National Theatre sometimes they are £10 or £15. Do people overseas know about that? You might see that on your Facebook feed if you are in the UK to begin with.

Kash Bennett: We do a lot of promotion via NT Live, which is our cinema release, which is seen by 11 million people outside the UK every year. All of that comes with marketing for the NT and on our website.

It is hard to join up with a travel company. There used to be a scheme with the—

Dr Rupa Huq: When there were paper tickets, it was on the back of the tickets, yes.



Kash Bennett: When there were paper tickets, yes—that rings a bell. But largely since we have made everything electronic, it has become more difficult.

I do not know that there is a perception. It is a marketing perception. We know that the food and drink offer in London is spectacular, the hotel offer is spectacular. None of it, I think, having travelled extensively, is overpriced. It is about how we present it.

Jamie Njoku-Goodwin: Partly it goes back to being strategic. Again, the train fare is an interesting example, particularly because we have a dynamic pricing model on train fares in the UK. If someone arrives in London and sees a great thing going on in Manchester and goes to look for a train to Manchester on that day, it will be astronomically expensive. But if you do it weeks or months in advance, you can get it so much cheaper than that.

It means being quite strategic on things. If you know people come to the UK for another event, rather than marketing to them when they get here, are there things or partnerships we could be doing to advertise to them?

The marketing point came up in an earlier session about the railcards for tourists. I had no idea about that at all. I am not quite sure. Is that right? It was potentially referenced. I may have that wrong but there was a reference to railcards for tourists coming to the UK. I did not know about that. I am not sure how many people in our sector know about that. We should be advertising that sort of thing to people to say, “If you come to a show, you can get access to this.”

Again, it goes back to that strategic join-up and trying to make sure we act more strategically in the engagement and the relationship we have with the Government when it comes to tourism and thinking about ourselves as drivers of tourism and potential work on tourist packages.

Geoff Taylor: It does happen a little bit more in the cultural sector. I have seen advertisements with partnerships between rail tickets and museums, outdoor attractions and so on around the country, but it seems to happen less in our area. Perhaps we should explore that a little bit more.

The other thing I will mention is the supply chain issues. For people who organise events—and I am sure it is true for Kash and for Jessica—costs are going up across the board both for infrastructure and for talent, frankly, by which I mean riggers, crew and so on. Everyone is getting more expensive and putting on events is getting more expensive. Of course, there is a cost of living crunch, so it is difficult to do anything with ticket prices to remain competitive. This is a real challenge for the sector as a whole.

Q248 **Dr Rupa Huq:** If secondary ticketing was sorted out, would it make the UK more attractive to music lovers?



HOUSE OF COMMONS

Jessica Koravos: It is sorted out, to all intents and purposes. Theatre has never been—

Dr Rupa Huq: It feels like people Hoover them up and then you can get them through illicit means and they are a lot more than they are meant to be.

Jessica Koravos: That becomes a problem when you have a sold-out sector and when tickets are hard to get. The UK has done a good job in putting a kybosh on the false advertising of secondary tickets masquerading as primary tickets. As long as people can see and are not being tricked into using secondary while thinking it is primary, there is no problem with secondary ticketing. The sad fact is that nothing is at capacity. Everything through the whole summer both on the theatre side and on the live music side is soft and in fact teetering on lack of viability. There is no Hoovering up going on.

Jamie Njoku-Goodwin: Yes. Definitely a lot of work has been done particularly in the last couple of years on transparency, on making sure that resales and refunds happen at the face value of tickets and also on interventions to stop digital bots. That was the problem. Bots were Hoovering up hundreds of tickets instantly and it all happened digitally. Them being resold was an issue, but some of the interventions that have happened in recent years have made that issue much better.

I go back to thinking that if there is an issue that promoters say is a big issue, it is the cost of VAT rather than secondary ticketing inflating the market. Again, that is what I hear from people in the sector.

Jessica Koravos: Apparently, this Committee can take the credit for that because you have all kyboshed the secondary problem quite effectively.

Q249 **Simon Jupp:** I should quickly mention that I am the chair of the All Party Parliamentary Group for Hospitality and Tourism at this point as a matter of interest.

I do not want to kybosh—I love that word—the positivity but I want to reflect on Covid for a second because we know that Covid hit culture hard. As a result of the challenges that Covid presents to your industry, given it is a social industry, a sharing industry and everything else, how have you managed to innovate as a result of Covid to try to tackle the loss of revenue as a result of the restrictions placed on you?

Jessica Koravos: I do not know if I can say we have done much innovating. Sadly, we have been as an industry so beleaguered and in firefighting mode, plus haemorrhaging people. The dreadful thing about the lack of support that came into the sector is that it has not been possible to innovate.

We can point to trying to keep theatres open and running things at a loss to keep spirits up and keep people in work. We did that. We filmed things and tried to stream things. Kash did lots of that from the National. But



that was not innovating in the sense of finding great new revenue streams that make up for the blow of Covid. There has been no making up for the blow of Covid, not in my world.

Geoff Taylor: The recording music sector is a digital business, so we have seen significant innovation because it comes perhaps more naturally than to the live events business. We saw a lot of live-streaming of concerts and artists putting on events for their fans and monetising those, but that was relatively small in scale compared to the physical live events business.

Similarly, we saw the pandemic had some interesting effects on streaming levels. There was at different times a boost when people were spending more time at home. You lost the drive-time listening but you got more listening at home. People were losing their gym listening. We saw some strange fluctuations, but overall streaming continued to grow.

We have seen a lot of experimentation with the metaverse. At the Brits this year we had PinkPantheress performing on Roblox in a gaming metaverse environment. A lot of innovation is going on around how to engage fans and reach audiences in new ways that are not physical, which is probably positive for the future of the industry.

Kash Bennett: As Jess said, it was a dark and difficult time for us. The National Theatre pushed forward on a streaming platform called NT at Home, which had been in planning for some years but it got fast-tracked during Covid. It is a subscription service whereby you can watch National Theatre product and other theatres online and sometimes there are special events. We put "War Horse" on there for Christmas. It has been incredibly successful for us because there are parts of the world that the National Theatre simply can never visit because there are not the venues or the audiences. Over 50% of the subscribers to NT at Home are outside the UK. It was always planned but the lockdown fast-tracked it. That was great.

Q250 **Simon Jupp:** Geoff mentioned changing habits when it came to streaming. When it comes to changing habits for people visiting the National Theatre, have you seen a struggle to try to get people back because of a nervousness about being social, being around other people, wearing a mask, not wearing a mask and that kind of thing?

Kash Bennett: Definitely. It appears to be split 50:50 on whether people prefer to wear them. Some people are not coming because nobody is wearing a mask. Some people will not come if they have to wear a mask.

The National Theatre is lucky in that we have a big, wide, open, airy building. You can drive there. You do not necessarily have to get on public transport. Early on, we saw our audience come back, but of our core audience, about 20% still stay away for now. That does not mean they will not come back. In the West End, the decisions about Covid



HOUSE OF COMMONS

passports, wearing masks and coming and going have been tricky to navigate.

Q251 **Simon Jupp:** Did you have to introduce Covid passports?

Kash Bennett: We did in the weeks before Christmas.

Q252 **Simon Jupp:** What was the impact?

Kash Bennett: Nobody was coming to the theatre because they had been told to work from home but, other than that, people did not mind it at all, in my experience. We have used it at the Duke of York's Theatre all the time. You have used it.

Jessica Koravos: Yes. That is right. We introduced it only after most of the tickets to the events that it was introduced for had sold. People had already decided to go and most of them did. We had few cancellations from people saying, "We do not want to do Covid passports." We also gave people the option of a test instead of vaccination. We did say, "We have tests here." We made it easy for people.

I agree with Kash. It did not put people off. But people were put off in the first place and just did not go and did not buy tickets.

Q253 **Simon Jupp:** Building on that, Jamie, if I can come to you and talk about live music in particular, when we think about live music, once again, like going to a theatre, it is inherently social. There are people around you. Not many bands who are any good perform in front of single figures. Is live music still a source of income for artists or is that also struggling if you see 20% or more of people choosing not to go and see live music as a result of Covid?

Jamie Njoku-Goodwin: Yes, particularly in the run-up to Covid, being a professional musician was becoming a portfolio occupation. People would get income from publishing rights, from live, from streaming deals or record deals. You would get a lot of income from those different facets. As soon as the live music events industry in general was shut down overnight and as soon as that live income disappeared for lots of people, it became incredibly hard for people working across the sector.

Again, that is one reason why we lost so many people in the industry. Going into the pandemic, 72% of people working in the music industry were freelancers, which is higher than almost any other sector I know of. Going into the pandemic, live music went away and lots of those people did not have access to economic support, which had a huge impact.

Q254 **Simon Jupp:** Are you seeing the same impact on bums on seats, essentially? Kash mentioned earlier that we see about 20% of the potential patronage not returning yet.

Jamie Njoku-Goodwin: It is difficult because of so many different factors. For example, lots of people have moved away or moved out during the pandemic. There is still a residual nervousness for some



HOUSE OF COMMONS

people about social contact. For a year and a half, the relentless messaging has been that physical spaces are dangerous. Theatres and live music venues were the first things to be shut down. People are still nervous. They talk about Cheltenham. They talk about the transmission of Covid in venues. There is almost an idea that these places are inherently dangerous, which is often frustrating to us as a sector—

Simon Jupp: And nonsense, but there we are.

Jamie Njoku-Goodwin: We went above and beyond to try to make these spaces as safe as possible. As a sector and across the creative industries, we want to encourage people to come back and show people that these places are safe and that these are good experiences people should be having.

It is interesting, on the point about vaccine passports, testing and masks, how it differed between sectors. Particularly in the rock and pop space people were quite anti vaccine passports but relaxed about testing, whereas in the classical sector people were keen on masks. If you said to lots of people going to a big music festival, "You have to wear a mask all day while you are there," they would not want that at all. But some orchestras ask people to wear masks because it is in their audience's interests in terms of public confidence.

We still see these discussions happening. There was one discussion on one board about how they wanted to do normal concerts with normal capacity and no rules but have one concert every other Sunday when people would be asked to wear masks and do social distancing—

Simon Jupp: Including the singers, obviously.

Jamie Njoku-Goodwin: They were aiming not to have the singers wear masks. Few singers make a better sound with a mask than without one.

Simon Jupp: Geoff, you looked like you were keen to intervene there.

Geoff Taylor: You are making me have nightmares about the initial production guidance that we got for recording studios. They wanted a mask on the trumpet. It was pretty difficult in the initial stages.

Simon Jupp: I would love to see that, by the way. That would be hilarious.

Geoff Taylor: Yes, exactly. The positive news is that, from what I hear certainly, the festival season will have a strong rebound. Outdoor events hopefully will do well this summer. More positive signs will mean that not only will promoters have a business again but also lost artist income from live will be restored at least to a significant degree, which is good news for everyone.

Jessica Koravos: The thing to watch, though, is that a lot of the festivals happening this year are festivals that have been postponed for



two years. For the most part, the promoters held on to the ticket money, so people have not bought those tickets for this year. Actually, when you look at events on an arena tour scale that have been put on sale recently and have not been rescheduled, it is not a strong demand. All of the big music promoters would agree with that. We see a combination of rescheduled, which is strong, and new, which is not strong.

Simon Jupp: A good point well made.

Q255 **Damian Green:** Briefly—because we seem to be losing our audience here—to pick up a point Jessica made about touring and bringing a production over from China, does that mean doing it from here is uniquely disadvantaged because from anywhere else in the world you can get a Schengen visa to cover the whole of the EU and from here you cannot?

Jessica Koravos: I do not know if that is the case across the board. That tour is an English-language tour with some English people in it. People from all over the world are in that tour. You can bring it out into the Schengen area. If that were possible, it seems like a relatively easy fix to have something similar to that out of the UK where you can get a show visa rather than a series of individual visas.

Damian Green: This country did a specific negotiation so that you could not get a Schengen visa. It was this country's demand.

Chair: That is correct. It was discussed but the ramification the other way was considered the issue. It was the Home Office.

Q256 **Damian Green:** Yes. We are unique. From your point of view, next time you want to do this—and this may apply to music tours as well—it is easier to tour Europe from anywhere else in the world than it is from the UK?

Jessica Koravos: Yes. It is certainly easier to come from Asia into the EU than it is to come from the UK into the EU.

Q257 **Damian Green:** Does that mean the other way around works as well? Not just theatre productions but big bands doing tours would rather tour Korea and China than France and Germany?

Jessica Koravos: The problem is that the big tours, the major artists, Ed Sheeran or Adele or anybody trying to tour at scale, will not just tour the UK. It will be a world tour of some variety. You will do it only if you can get yourself to a certain number of markets and get a certain amount of return. Everyone has the problem right now of how to include the UK in that. Ed Sheeran can do so much in the UK, so he can stand alone, but a big US artist coming here will try to do it as part of a wider tour. It is a question of looking at the costs versus the returns and the costs of including the UK in a tour have gone way up.

Q258 **Damian Green:** Have you seen in the music industry that big American



HOUSE OF COMMONS

bands are missing us out or will be touring in the future, presumably?

Jessica Koravos: We cannot tell yet because of Covid.

Geoff Taylor: It is too early to say.

Q259 **Damian Green:** I have one other thing on a more constructive note, thinking again of what we can recommend. I am fascinated by Geoff's idea of a creative industries export office. You feel slightly disconnected from wider efforts at inbound tourism and so on. Would that make a big difference?

Geoff Taylor: Only if it were structured correctly. Some thought has come out of the discussions around EU departure and the difficulties we have been talking about that a resource should be created that helps process visas, but that would be a lack of imagination for me.

Look at what has been done in Korea, Canada, Sweden and other countries. They help with business intelligence about potential export markets and they help to connect you to the people with whom you can do business in those markets. An independent label needs that type of help to grow its business overseas.

It is important that it is sufficiently specialist and well resourced with the right people with the proper knowledge to be helpful. If it is just a filling out paper exercise, it will not achieve a huge amount.

Q260 **Damian Green:** That would all be possible but presumably would require the cross-governmental support you have talked about. It would have to be the Department for International Trade as well as just DCMS and so on and also presumably buy-in from all the creative industries.

Geoff Taylor: Yes, that is right. Our feeling is that—and the point was made about a Tourism Minister before—one problem is getting focus cross-government on these issues.

DCMS has been leading the discussions about the possibility for a creative industries exports office. The jury is out as to whether it would be better done for the creative industries as a whole or done specifically for music. I can see the argument for it being music-specific, frankly, given the particularities of the sector. It has not gone anywhere. We understand the fiscal environment is exceptionally tight.

My priority over creating an export office is better funding for the music export growth scheme because that is money to support specific touring activity for particular artists, which is the first concern. If there is any money left after funding that scheme properly, an exports office would be an important addition.

Q261 **Damian Green:** From the theatre sector, would you welcome this? It is an interesting point about whether it would be better to cover the whole creative industries.



Kash Bennett: That is an interesting point. Theatre comes with a specific set of needs as well and they are different from music and different from film and television. It may be impossible. You may end up creating a jack of all trades and master of none that is not able to sufficiently help any industry.

Jessica Koravos: There is something around live performance, whether music or theatre, because of the commonality of having to move people as well as product. I know it has been a problem in the fashion industry as well in terms of getting the models around and that sort of thing. The live side of the creative industries will have a lot more commonality. Then the digital side of the creative industries—the National Theatre live and the work on the recorded music side—probably has some things in common, too. Maybe that is the divide. Maybe they are the two subcommittees of your new committee.

Q262 **Damian Green:** Jamie, you have worked inside Government. You know how that works as well.

Jamie Njoku-Goodwin: Yes, the challenge with these things is often the join-up. It is similar to tourism more broadly, particularly on the export side and Brexit touring. When we have had meetings and working groups with the Government, DCMS officials have been working incredibly hard but they do not have the levers. They have been pulling in HMRC to talk to us about carnets and pulling in the Home Office to talk to us about visa and pulling in BEIS to negotiate the thing in the first place. You find yourself having all these different conversations but you want a forum where you can have a joined-up conversation and everyone is on the same page. Ultimately—and this is where the real value of an export office comes in—you can operate across the Government on the same page but strategically and making sure there is a focus for where lots of these things are happening.

At the moment, the Government were like, “We want to do a lot more with Korea. There is a real emphasis for creative exports to Korea. This is exciting.” India is a better example. If you are a Government Minister or a Government Department, where would you go for that? Some would go to DIT. Some would go to DCMS. Some would go to VisitBritain. How can we make sure that this is a lot more joined up? An export office would help the sector ultimately, recognising that anything that helps the sector will help UK plc more broadly.

We spoke about BTS. Forbes says the value of BTS for the South Korean economy is close to \$5 billion. That is incredible. That has come from relentless focus and also investment in making sure they have a joined-up strategy for how they do creative exports. They are not a one-hit wonder. South Korea decided it would do this. “Squid Games” did not happen by accident. BTS did not happen by accident. They have been relentlessly strategic as a nation and they have started to yield the benefits. If we do this right now, we can start seeing the benefits in five,



HOUSE OF COMMONS

10 or 15 years' time, but it needs that joined-up, long-term strategic thinking to make it happen.

Chair: Thank you. That is a good note to finish on. Thank you very much to our witnesses in our second panel. That concludes this session.