HOUSE OF COMMONS

Culture, Media and Sport Committee

Oral evidence: Grassroots music venues, HC 843

Tuesday 13 May 2025

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Watch the meeting

Members present: Dame Caroline Dinenage (Chair); Mr Bayo Alaba; Zöe Franklin; Mr James Frith; Damian Hinds; Dr Rupa Huq; Natasha Irons; Liz Jarvis; Tom Rutland; Paul Waugh.

Questions 1 - 116

Witnesses

I: Marit Berning, Founder and Artistic Director, Globe Town Records, and Board Director, Music Managers Forum; Mark Davyd, Chief Executive, Music Venue Trust; David Martin, Chief Executive, Featured Artists Coalition; and Joff Oddie, co-founder, Wolf Alice, and Director, Featured Artists Coalition.

II: Jon Collins, Chief Executive, LIVE; Nancy Skipper, Operations Manager, National Arenas Association; and Steve Homer, Board Director, Concert Promoters Association.

III: Sir Chris Bryant MP, Minister for Creative Industries, Arts and Tourism; and Alastair Jones, Deputy Director, Creative Industries, DCMS.

Examination of witnesses

Witnesses: Marit Berning, Mark Davyd, David Martin and Joff Oddie.

Q1 **Chair:** Welcome to this meeting of the Culture, Media and Sport Select Committee. Before I begin, I need to remind members to declare any interest before they ask their questions.

Here we are. Twelve months ago, almost to the day, our predecessor Committee published its report on grassroots music venues. It found that the UK was losing venues at the rate of two a week and that the number of UK artists on tour had fallen by three-quarters compared to pre-pandemic figures, so our conclusions were unequivocal—these sectors must not be allowed to continue to decline. The current support they are getting is insufficient to prevent it.

When the Government responded to our report, we said that we would get the band back together, so to speak, if the sector had not agreed on a way to get money back into the grassroots and we had not seen any meaningful progress within the six months. However, as you know, venues are still closing, and gigging opportunities are still being lost. I hope that by the end of today, we can get everybody singing from the same song sheet—sorry. Okay, I am going to stop doing that now.

First, we are hearing from Marti Berning, the founder of Globe Town Records and Board Director at the Music Managers Forum, from Mark Davyd, the CEO of the Music Venue Trust, from David Martin, the CEO of Featured Artists Coalition and from Joff Oddie, co-founder of Wolf Alice and Director at the Featured Artists Coalition. You are all very welcome. I am grateful for your time this morning. I will kick off the questions with you, Mark.

So, 2023 was a bad year for grassroots music venues. Two were closing every week. Last year, it slowed to about one every two weeks, but it is still very worrying. Talk to me about 2025. Is this the year that we are finally going to see an end to the closures?

Mark Davyd: Unfortunately, not, no, Caroline. It is going to be a very, very tough year. A number of recommendations in the report you put out last year were about what everybody around these venues needed to do. I recognise that there will be a lot of focus on the grassroots levy today, but I think that it is worth going back to those recommendations and thinking about the other things that have not been done. I will particularly pick on business rates. The Committee recognised that the business rates were inequitable in this sector. They were damaging the sustainability and resilience of the grassroots sector.

We have actually increased taxes on grassroots music venues by a total of £7 million since 4 April, with the reduction in business rate relief. No action was taken on VAT, which continues to be the highest anywhere in the world on new and emerging music. We see a lot of development going in next to venues. We did not particularly see increases in the agent of change protections. We have seen movement in the other direction on statutory consultation. So, although I think you will hear today about some progress on the grassroots levy, overall we expect the rate of closures to significantly increase in 2025, not helped by the change in national insurance contributions, which in our sector, through the way that it has been done, seems like an unintended consequence because, in the gig economy, a lot of people are working for less than £10,000 a year as part of their portfolio careers and a very large number of them—we reckon about half of the people who had a job in a music venue that was not previously subject to NI—are now subject to NI. That is a massive increase in costs.

Unfortunately, 2025 will undoubtedly be worse than 2024 with all those increased costs. It already is. We are now heading back towards one closure a week. In 2023, it was one every two weeks. This year, one a week. It is very, very tough out there. I would congratulate the Committee on the report last year, which, frankly, effectively slowed the rate of venue closures because venues finally felt heard and listened to. A lot of hope was injected into the sector. But hope will not pay the rent, I am afraid. We need a dramatic change.

Q2 **Chair:** Thank you. David, can I come to you? One year on from the previous Committee's report, have you seen any progress in implementing the recommendations?

David Martin: I agree with Mark's points about the number of important recommendations raised in last year's report. For us, however, the focus since then has been on the levy. You will hear from other witnesses today about the progress that has been made there. The FAC firmly believes that what we have now is a system of artist-led donations, not a levy. We have artists being burdened with the decision-making around whether shows at the 5,000 capacity and above level should pay into the levy to support the grassroots. It is relatively early stages. There was a change of Government last year, which slowed progress. Right now, however, as yet, about £500,000 is committed, potentially, from the larger shows that will go into the LIVE Trust to be distributed to the grassroots.

We are probably still somewhere in the region of eight to 12 months away from that happening. Ultimately, therefore, no, we have not seen any change. When I came before the Committee previously, I provided evidence of six tours at the grassroots level. Only one of them had made a very moderate amount of money. The rest had lost money, all subsidised by artists. Among cases that I have pulled since then, we have seen one tour, seven shows and an income around 42% of the cost, with the artists making up the other 58%. The shows got closer to break even through merchandise sales.

Another example is a tour of six cities, all sold out, including a relatively large London show. Despite that, the artist lost £7,000 and funded the shortfall with income from an EP advance. That loss meant the advance was not being used to invest in the artist's career elsewhere. So, ultimately, no, we are not seeing a huge change. We think it is getting worse. Costs are going up. Inflation is having an impact. As I have said in front of the Committee before, rising costs bite artists twice. First, it bites them on costs, and it also bites them on demand for ticket sales; it has a downward pressure on audiences.

Finally, on that last point, a recent survey from music distribution company Ditto of 1,500 independent artists in the UK found that 84% could not currently afford to tour.

Q3 **Chair:** David, do you still think that a blanket levy can support venues, artists and indeed promoters? Do you still think it can work?

David Martin: I do. I think about 8% of the shows that would qualify—5,000 capacity and above—that have gone on sale since the Government responded to the Committee's report have implemented a donation. However, I think I set out before the Committee last time, but to be very clear, our problem with an artist-led system of donations is twofold. It is unpredictable, and we do not have the maximum amount of money coming in to support the grassroots. Additionally, it places a burden on artists. They are the ones whose names are at the top of the press release that says, "X artist has donated". Additionally, if they do not donate, they risk being criticised for not paying into the levy. So, artists are doomed if they do and doomed if they don't. They are either criticised for potentially increasing ticket prices or criticised for not supporting the grassroots.

Q4 **Chair:** Mark, what obstacles do you see stopping the industry from getting to a blanket levy?

Mark Davyd: We should start with the positive. I single out AEG. You have Steve Homer as one of your witnesses coming up. Steve, I think, has been at the forefront of saying, "Can we do this?".

I would like to move the conversation on into an exploration. When an arena or stadium show that does not have a levy is announced, I think we should be asking everybody in the supply chain, "What didn't happen here?" so that we can get it right the next time. At the moment, we are still in the phase of if it happens, who made it happen—or great, it happened. The question should be reversed. When we see shows that are not in the levy, we should be asking the promoter, the ticketing company, the arena itself, the agent, the artist, everybody, not, "Who is responsible?" but just "What didn't happen here? What did not function correctly so that we have the grassroots levy that everybody is committed to?"

I agree with David that I think there have been some artist things, but I would pick out AEG and particularly SJM, which have done a lot of work on this, and also Kilimanjaro. Those three promoters are making it happen. Going through the history of this, it would be disrespectful of me not to praise Enter Shikari, Coldplay, Sam Fender, Katy Perry—there are lots—right the way down to smaller things. Mr Scruff put a £1 levy on his tickets, and he was playing small venues. It is possible to do it.

I agree with David, that there is a risk that artists will be damned if they do, damned if they don't. The point, however, is the vision. Everybody in the supply chain would ask the question—they would not necessarily be the instigator, but whenever a show is going on, it is the role of everybody in the supply chain to say, "What's happening about this £1?" because we have all agreed to it. I don't think anybody disagreed with it and certainly in the ministerial meeting on 18 December, we were unified: yes, we are all going to make this happen. So, I think asking, in each case, "Why did this not happen?" is very reasonable.

Q5 **Paul Waugh:** It is clear that artists want to tour. What we are discussing here is whether they feel they can afford to tour. I would like to ask you, Joff, first, what is the current state of play for touring artists in the UK. What are the biggest challenges?

Joff Oddie: As for a lot of industries in the UK, cost is a big issue. David got me on here, invited me to speak to you today. The big thing that I would like to communicate to you guys, to get into your heads, is that when I was doing the grassroots—when my band, Wolf Alice, was doing the grassroots touring scene 12 years ago—it was unbelievably tight. For years, it was a loss leader, and that is typically how it goes. We would sleep on people's floors when we were outside London. Most of the people we worked with were doing stuff pro bono in the hope that if we did start making money, they could commission later on—management, agents, things like that, sound men. I put my student loan into funding a tour.

Twelve years ago, the numbers did not stack up; they really did not stack up. Now, it is unbelievable. I am sure that everyone here can attest to all the kinds of things that artists pay for, the enormous pre-tour list—rehearsal spaces, manufacturing merchandise, musical tech equipment, making stuff tourable, hire costs, insurance, production costs, travel, van hire, crew costs, session musician fees, fuel, accommodation, per diems, management commission, typically 20% net, agents' fees, typically 10% gross, venue merch commissions, accounting fees, storage. Artists have to pay for a huge number of things in order to go out on the road. We just about made it work. I can honestly say that I am not sure how Wolf Alice would make it work today.

Q6 **Paul Waugh:** Marit, has that been your experience as well?

Marit Berning: That is very much my experience, yes. Over the last 12 months, I oversaw three grassroots tours in the UK as well as a bunch of tour supports with much bigger artists for my roster of emerging artists. All of those tours, as David said, even if they were sold out, none of them turned a profit.

Q7 **Paul Waugh:** From the layperson's point of view, live experiences, live music, has never been more important to the audience, particularly post-pandemic when people were shut up in their homes and really valued the live experience, the interaction, and given that artists get peanuts from streaming, we assume that live concerts are a good source of income. However, you are telling us that it is almost impossible, sometimes, for people to get out on the road. Marit, can I ask you to say a bit more? How has the squeeze on venues and the number of venues affected what you do?

Marit Berning: Just yesterday, I was on the phone with a live agent we work with, who is responsible for booking the venues for our artists. This was for an artist who had just done a pretty decent-sized UK tour, hitting the main cities from Glasgow to Manchester and down. This artist is very keen to get out and be in all the smaller towns that you do not automatically hit on that route. There have been six months, roughly, of conversations trying to get stuff booked in. A phone call yesterday: "What's going on?" The agent said, "They are all shutting down". Either the staff in these smaller venues are part-time, or the infrastructure is not there to put on smaller tours. Those days of up and down the country, 90-cap rooms in every town is not currently the situation. We consolidate and try to hit major cities. That means that our fans have to come further. Often, many conversations around the merch stand will be fans saying how they have just driven four hours to get to the show and why could we not do something a bit nearer. These are just some of the general complexities we face at the moment when it comes to scheduling.

Joff Oddie: Can I make a point about scheduling? I think it is important. There are some risks in sending young people out on the road on tight, shoestring budgets. We want to remember what happened—the Viola Beach affair—when a group of young people were out on the road, had to make a journey, could not afford another driver, could not afford a hotel, and had to get there. We have all been in that position, people on the road. We have a duty of care, a moral responsibility, to not put young people in that position.

Q8 **Paul Waugh:** UK tours are often affected by what used to be European tours. Given the post-Brexit restrictions that many artists now face, how important is it for us to remove those barriers and get a deal allowing UK artists to tour in Europe?

David Martin: Very, is the answer. Europe is our nearest neighbour and our largest market, by far, for touring artists, four times bigger than the second-largest market outside the UK. Very important, is the answer.

It is very important for the development of new talent, particularly. Wolf Alice will probably get around that. Elton John will get around the barriers. I think Ed O'Brien, from Radiohead, who was on my board at the time, sat in front of this committee when we were talking about streaming and said, "We used to jump in a van, as Radiohead, drive into Europe, drive around and play 11 am slots at festivals and that was what made us Radiohead." That is difficult now. We have been saying this for a long time.

We launched alongside the MMF. We launched the industry campaign around post-Brexit touring because it is such a critical issue. The fear is, you do not see that buy-in until five or 10 years later and here we are now—surprise, surprise—no UK artists in the top-selling albums or singles worldwide, no UK artists in the top stream of Spotify music in the last year, and no UK artists in the top 10 singles listened to in the UK in the last year. That has not happened for decades. We are seeing this biting now. Incredibly important is the answer to your question.

Q9 **Paul Waugh:** For the artists, as well. There would not be a Beatles in Hamburg right now, would there, given current restrictions? How are the European restrictions affecting you?

Joff Oddie: One of the huge things we risk is that music becomes a middle-class, upper-class sport. We already see representation at that high level—over what, the last 20, 15 years—with all kinds of statistics are saying that that is going down, especially outside the south-east of England. Representation is a hugely important part of this. It is costly to go on the road and build a career and to build a career, you need to go on the road.

David Martin: On that point, it is important to note that most of the UK's musical movements that have gone global in the last 60 years have come from the working-class underground. Access to this sector, to this culture, is therefore essential.

Joff Oddie: That is why funding artists, as part of this package, is really, really important.

Q10 **Mr James Frith:** Mark, you started with a list. In politics, starting with a list, you always leave people off and there were some absentees from your list, including the biggest global promoter, as I understand it. Who is not on that list of praise but should be?

Mark Davyd: I think Jon Collins from LIVE, who is one of your next witnesses, is probably best placed to answer that question. Jon, from LIVE, and Steve Homer have done a great job of going around and meeting people. I am not clear what the obstacles are. I am much more in the phase of saying, "Actually, these are the people who are getting right. Here are the people who are leading on it". I think Jon can probably explain what he sees as the obstacles because he is involved in those discussions.

Q11 **Mr James Frith:** But your assessment of those deserving of praise included the bands. I would say that the bands' fans probably ultimately deserve the praise for paying that premium, rather than the millionaires. I will ask you again. Absent from that list were two notable brands, owned by one of the bigger two. Would Live Nation Entertainment and Ticketmaster being at the party on this make a transformative difference, do you think?

Mark Davyd: I think everybody being at the party on this would have a transformative effect. I am not being evasive. From our experience, from the Katy Perry one, for example, let's pick out CAA, one of the world's leading agencies. CAA very much led on that. The instigation, putting the levy in, can come from any part of the supply chain. We need everybody to be asking the question, "Have we done this?" I very much doubt that any ticketing company could be the instigator and it does not matter who, whether Ticketmaster or AXS or Skiddle. It would be very hard for a ticketing company to tell a promoter, a manager or an agent, "By the way, we want to do the £1". That is not the kind of power that ticketing companies have, I am afraid.

My feeling, based on the industry, is that I would say that promoters can take the lead most effectively because they are the ones who understand every part of the tour. They understand what the artist is being paid and so on. They are involved in everything. However, we have seen agencies instigate it. That has been very effective. SJM has been particularly effective on this. John Cornwell, Matt Woolliscroft and Simon Moran have been really good. David's assessment is right. Let's turn it on its head, of the nearly 6 million tickets that have been released since the 18 December ministerial meeting, when we all agreed—all of us agreed—it was going to be on every ticket, 92% do not have it. What has gone wrong? That should be the question rather than, "Look how wonderfully we are doing on the 8%".

I should also say—sorry to be so long—it is a difficult part of the year. But when we had the ministerial meeting on 18 December, the decision was that there would not be very many tickets released in this period. Well, nearly 6 million tickets were released and that sounds like quite a lot to me. Only 8% of them having the levy seems like quite a low-ambition target. Were it to carry on at that rate of increase, we would eventually get to a full, blanket levy, which I think everybody on the panel wants to see, by roughly 2032. That does not seem like that has a lot of speed behind it.

Q12 **Dr Rupa Huq:** You are painting a quite depressing picture of this shrinking sector. We all know about rising costs for venues and the cost of living crisis for people outside. Marit, managers and agents depend on the success of the artists they promote. Are your numbers also shrinking? Are managers leaving the sector? Have the Brian Epsteins and Malcolm McLarens—those kinds of people—gone?

Marit Berning: It is a great question. I hope not. However, having spoken to a lot of my friends and peers who are managers or agents, yes, they are finding it tough. A lot of them are leaving the country, if I am to be honest; a lot are leaving for elsewhere, where they feel there is more infrastructure and support for the kinds of work they do.

Q13 **Dr Rupa Huq:** Are there other countries that do it better and should be examples for us?

Marit Berning: Spain, Portugal, France, and in America there is a lot going on, a lot of business opportunities being offered. My partner and I have had opportunities to take Globe Town over there. We have not done that yet because we love British culture, our artists and the world here. But stuff is tough, especially at the emerging level. We started our business just shy of the pandemic, so I don't know what the world looked like pre-pandemic, but navigating now definitely is not all that easy. Not that it is meant to be, obviously.

Q14 **Dr Rupa Huq:** Anyone else? Joff, you are dying to get in.

Joff Oddie: It is not all doom and gloom. Once you get past a point, there is money to be made in the industry. We know that, right? People are going to see shows; they are buying tickets. This whole thing is about the grassroots, isn't it, and it is about how those feeder channels feed upwards. The big issue is that rising costs mean barriers to entry are high. We just need a little bit of support for the grassroots to help people take that step forward to where they can start making a living, an income. Music is big business, but if we do not fund that stuff at the beginning, we are not going to get those new artists emerging who will be making money and providing tax receipts and all the rest, employing people.

Mark Davyd: Specifically to the question of what is happening elsewhere and the conditions for managers and agents, yes, we are definitely seeing what you might describe as a brain drain. Frankly, Marit, you would be well-served to go to France. I know that is a bit of a shocking thing to say to a UK Committee, but there are significant funds available in France that simply are not available here.

Interestingly, this is happening elsewhere. Again, in praise of the work of this Committee, we are seeing from this report—which I brought a copy of, so I can refer to it; it is one of my favourite documents—the recommendations were so good that they have been looked at in Australia, Germany, Canada and the US. I am not sure why we have not done them here. It is that simple. We are now falling behind because we are not acting fast enough on a report that has explained that we have made it too difficult to run a venue, to be a promoter, to be an artist, a sound engineer, or a lighting engineer. There are too many costs, not enough support and we are falling between the cracks.

No, I am not going to recommend that everybody who is currently trying to make a career in the UK should flee to one of these countries. I think we are still one of the world's, if not the world's, leading cultural agency for music, but the reality is that we do not have the conditions. I especially want to pick up on what Joff said. To our working-class communities, in the areas of the country that have fallen out of having ready access to culture we are saying, "Culture is not for you". We must not just turn around and take this evidence, the stuff that you gave us—we need to be opening venues, creating areas of opportunity, opening venues that have rehearsal spaces and recording studios in them so there is a music hub in every community. We have fallen behind on this.

Q15 **Dr Rupa Huq:** So in this changing ecosystem, the pipeline is not there with the venues. We get figures from the British Bar and Pub Association. A shocking number of pubs are closing every week. Before, there was a pub circuit. There was even a genre called pub rock. If I go into a boozer now, it is always a covers band. Does that mean that people are taking fewer risks, are less experimental? I ended up at the BAFTAs at the weekend, with Channel 4. There were a couple of live bands. People said that the minute the bands come on, it is like an ad break; the audience goes to make a cup of tea or switches off because people do not want to hear new music. I was a bit shocked at that.

Joff Oddie: I would disagree with that. I think there is a pretty healthy market for music and new music.

David Martin: Apologies for repeating myself because I think I have said this before. Take our Step Up programme, for example, which Amazon Music invests in. We are about to open Step Up for the fourth year. Every year, we have seen somewhere between a 15% and 30% increase in applications. Additionally, the standard of the applications and the stage the artists are at when they apply is increasing. So, no, we are not seeing a lack of appetite. Also, the artists who are applying are doing extremely well. They are finding an audience for their recorded music. We are seeing people come to us with millions of monthly listeners. Yet they have never toured live. We have almost flipped the model on its head. It used to be quite expensive to get your music to market 25 years ago, and it was easy to go out and play. That was how you built your audience.

You talk about the pub circuit. Now, it is the other way around. It is so expensive to get out and play but we see young artists develop audiences across streaming and the internet and they have good followings. However, two things are happening here. Those artists cannot afford to go out and perform and their audiences cannot afford to go out to see them. As it is, you will often see the price of a ticket subsidising the rest of the night out. The inflationary costs on alcohol, on taxis, all of these things that people spend money on when they go out are not being matched by the increase in ticket prices. The reason for that is that artists cannot raise those ticket prices for fear of depleting the audience.

Take petrol, for example. I made a note about petrol. In 1994, a gallon of petrol was around £2.50. Today, it is around £6.63, but with inflation, it should have been around £4.43 and so it has gone far beyond the Bank of England inflation rate. That is one of the costs that has to be subsumed into ticket costs. The demand for live music more broadly, if you look at the top of the pyramid, we have seen record sales for those large shows, which underlines the point of the levy. Let's feed that pipeline from the shows at the top that are booming.

Joff Oddie: If you do not support that stuff at the bottom, all we will have in 10 years is people just going to US pop stars at Wembley. If you are not creating the pipelines, you will not get the infrastructure.

Q16 **Dr Rupa Huq:** Do you think things like Night Czars make a difference? There was Amy Lamé in London. I don't think she has been replaced. There was Sacha Lord in Manchester. I think he is still in post. UK Music has said that every local plan, a council-level thing, should include a commitment to music. Would those sorts of things make any difference?

Mark Davyd: Sacha is not with us; neither is Amy. I think they were the first two Night Czars appointed in the UK. We are broadly supportive of the concept of music boards and certainly were supportive of music being included in cultural plans. I cannot think of any reason it would not be. However, there are some good things to say. Access to music in cities has held up better than it has elsewhere. It is in the smaller cities, the larger towns and certainly smaller towns where spaces are closing, as Marit said. This is where artists cannot afford to go. We have people living hundreds of miles away from their nearest possible experience of new and original music. It is an astonishing thing to say in a country with a cultural identity around the world very much based on music.

Q17 **Dr Rupa Huq:** Is it the case that more and more of your staff are freelancers? Does that make it difficult for you to retain and train?

Mark Davyd: An unfortunate outcome of the NIC increases in April is that we will probably have to see venues move towards more freelance. I think there are definitely opportunities to pursue tax policies and employment practices that would mean we could get back to more consistent employment. I know the venues want to do that, and I know that the technicians and engineers would welcome that.

Q18 **Liz Jarvis:** Mark, you mentioned artists who have backed the £1 donation idea, including Katy Perry, Coldplay and Pulp. What has been the result of these donations?

Mark Davyd: No money has been received at all yet, because the way the music industry works, everything is accounted and delivered after. I think this is a good opportunity to mention that the earliest that any money that has been raised is going to hit any artist or any venue or any promoter is not before 2026, because of how it is accounted and will have to be assessed. This should be a robust process.

We are very supportive of the work of the LIVE Trust in creating a receiving house and making sure that that money is properly brought in and accounted for. Then there are lots of different ways to get money out to venues, artists and promoters, but it should be done very robustly. Any time you start distributing the sort of money that we should be seeing from the blanket levy, we need to be very, very open, transparent and upfront about exactly what is happening with it, how it is being distributed, who is receiving it and what it is achieving. All of those things will need to be in place.

I think it is going to be February 2026 before any of that money is actually being used to put an additional tour on, to make sure a venue does not close down, or to enable a promoter to take a risk. It is not a quick and sharp process. This is one of the reasons why I want to strongly recommend to the Committee that progress on the blanket levy must be assessed at the end of every quarter because were we to leave it for an excessive period—let’s imagine we do not assess it again until December—that would wipe out all of the 2026 receipts if they have not managed to deliver the blanket levy. We need to know what the progress is at the end of June, what the progress is at the end of September, and at the end of December. Without doing that, we could be years away from the money having the effect that we want it to have on the ground.

Q19 **Liz Jarvis:** Marit and Joff, do you think fan support for the levy is sustainable given the cost of living crisis?

Joff Oddie: I would draw people’s attention to current ticketing practices. If you go to buy a ticket on a ticketing website, it is often, or sometimes, upward of 20% that providers can put on top of tickets in hidden fees and that kind of stuff. To me, that seems incredibly callous that they would do that but then resist the £1 levy on top to support their businesses in the future as well. This is about long-term investment, long-term planning. There is huge support—is it 80%-odd?

Mark Davyd: So 93% of music fans in the Music Fans' Voice survey said they supported a levy. Very interestingly, for all of us and a bit of a learning experience for me, and probably because of the 20% that is or can be put on tickets, or can be 20%, the fans did not care, frankly, where it came from. There was not a mass saying that it has to be inside the ticket rate. It was very evenly split. The main thing is that music fans want artists, venues and promoters at the grassroots to be supported. That is it. It is comprehensive. It is a great opportunity to say that one of the recommendations in the report was a fan-led review. DCMS has not backed that so far. I honestly think that the major message that came out of the Music Fans' Voice survey is that fans' voices had been left out of this conversation. They have a lot to tell us, and we should be pushing for that fan-led review.

Liz Jarvis: Marit, would you like to add anything?

Marit Berning: I agree with Jon. Fans just want to see artists. They want to support the artists. We find that across subscription-based models because we are having to look at diversifying our artist businesses obviously because we are not making money from live, streaming is not great, so subscription-based models, and we find that your fans do not mind supporting you. They do not mind committing a bit more of their income to seeing those artists continue to grow.

Q20 **Zöe Franklin:** Good morning, everyone. We started to talk about the money going back to the grassroots. From your perspective, Mark and David, what model is best for getting money to the grassroots? Is it the LIVE Trust working with member bodies or something else, perhaps?

Mark Davyd: There are a number of programmes: Step Up, Accelerator, our own Liveline. We have done a lot of work getting money out to all three of those groups—artists, venues and promoters. One thing that we are keen to do is to look for where investments can be made that will help everybody in the sector, not just any one of those three.

Typically, when we have invested in artists touring, for example, we have paid the costs of the venue, the promoter and the artist. I am not saying that working with any one of those three is not a good thing to do, but I would certainly say that doing all three at once means that shows are viable, and everybody can make it economically sustainable.

We also need to look at the different ways they do touring in other countries and how that has happened. I would pick out rehearsal spaces in particular. Joff mentioned these at the beginning. There is a lot of spare space in music venues. We could be converting it to rehearsal spaces. We could be putting sound insulation in so artists have better rehearsal spaces and more rehearsal spaces across the country. Artist accommodation—I did band management for 10 years. Every band I had touring across Europe always had artist accommodation, whether it was in the venue or down the road from the venue that the venue had a deal with.

Who gets rich from touring? I will name some companies. Premier Inns, BP and Ginsters Pasties. I want to invest in a way that means that we can get rid of some of those things. There are a couple of other people I would get rid of. Landlords—we need to do much more about the ownership of these buildings—and the Government. Look, 16% of every £1 somebody hands over at this grassroots music venue goes straight to HM Treasury. That is a tax on research and development, and it hits the artists hardest of all because they are the ones who contractually get more of any profit made. We need to get rid of these things. Let’s get rid of these excessive business rates, the VAT. Let’s find artist accommodation. Let’s make rehearsal spaces and recording spaces more available everywhere in the country.

Those sorts of investments may sound a bit fantastical but with the amount of money that would be raised by a blanket levy, they are things we can think about. This year alone, there are already £22.3 million tickets on sale for arenas and stadiums in this country. That is £22.3 million that we could be spending right now. There are different opinions about the priorities of investments. I say that within £22.3 million, every great idea we have could be funded. We can explore lots of different ways of doing it. We have no particular objectives going into that process, but the LIVE Trust is a great mechanism for assessing those investments and thinking about what we can do most effectively.

Zöe Franklin: David, do you have anything to add on that?

David Martin: While we think that there should be a blanket levy, not a system of artist-led donations, as I have said, we do think that LIVE is the best vehicle to receive and distribute those funds to grant-awarding bodies, and Jon Collins will be able to speak to that. We support that. We have been forceful, some might say, about the need to directly fund artists, from the income from the levy. The reason for that is threefold. It drives artists’ careers; it drives the audience pipeline; and it drives all of those whom the artists pay for, and that is a lot of people.

Michael Rapino, the CEO of Live Nation, said last week in their earnings call, “Every night we are bringing a Super Bowl to a stadium, and it is the artist who funds that”. That is right. Equally, the National Independent Talent Organisation in the US, which represents agents and managers, did a breakdown of a $100 ticket. Mark talked about the artists making a profit. Actually, the artists might be making income, but they are not necessarily making a profit. Of that $100 ticket, about $22 goes to fees, venue expenses are in there, and promoter fees are in there. After all of the costs they pay, the artist is taking home about $8.

Our view is that it is essential to put the funding into the hands of artists at the grassroots end, because while that’s a $100 ticket, the same can be extrapolated for the grassroots artists. They are paying out the vast majority of that. They are driving that activity, which will support venues and promoters, but will also support all of those who rely on artists for their income.

Q21 **Zöe Franklin:** Talking about getting money to artists, the Arts Council provided a grant to set up the UK Artist Touring Fund. How long do you think it will be before it can start getting that money to artists?

David Martin: It hasn't, yet, but we hope that it will provide that grant. It has been supportive. The UK Artist Touring Fund has been a response to the levy. Step Up has been mentioned a few times, which is our programme with Amazon Music. We think that the UK Artist Touring Fund is needed because it is a different type of vehicle, a vehicle to basically provide tour support, so top up those amounts that I told you that artists had lost in the past to make touring viable. We aim to have that ready when the LIVE Trust is ready to distribute funds from the levy, or the donations, I should say.

Q22 **Zöe Franklin:** One final question. Can I come to Joff first, and then anyone else can chip in briefly? The FAC board has said it is important to keep LIVE Trust independent. What do you think is the best way to do that?

Joff Oddie: I would have to defer to David on that.

David Martin: I think transparency and the selection of trustees are going to be essential. Beyond that, I think possibly—I am putting a lot on Jon Collins today.

Joff Oddie: We are passing it down the line.

David Martin: Possibly Jon Collins is best placed to answer that, but we think that independence and transparency are essential.

Mark Davyd: Can I just pick up on something? At the grassroots level, we need to recognise that over 30 years, an economic model has emerged that also presents further risks. Really, at the grassroots level, it is the alcohol sales that are sponsoring pretty much everything. When we see this dramatic generational shift in the consumption of alcohol—I forget the exact figure—it is something like 30% among 16 to 25s.

When I promoted my first show, over 40 years ago, I did not have a bar. I just sold tickets, paid the headline band, paid the support band, paid the opening band, and secured everything just from the sale of tickets. That model is pretty much gone at our level. I have deep respect for grassroots promoters, who I do not think get enough mention in this conversation. These are the people who are spotting talent and bringing it into the venues, and they are super important to that. We need to find a way to ensure that this money also supports them.

In 2024, the venues subsidised the production of live music by about £160 million across all our venues from the sale of alcohol. Now, you can argue that it is part of the overall offer, but what happens when 30%-plus of the audience stop drinking alcohol? I am afraid the answer is not kombucha. We have been talking about this for years now. We started talking about a neutral levy in 2018. The reason we did that is that we could see the trends.

This particular activity that Joff has gone through, that Marit is artists are going through, is absolutely vital, and it sits at the core of who we are as a music nation. Without this stuff, we are not going to produce the artists that we need. It is research and development: the one thing I definitely wanted to say today is that too many people in the industry regard this as some sort of charitable donation. It is not charitable. It is simple R&D. The way the music industry is conducted now, we do not have enough commitment to R&D in the live side of the industry. I am sure David would feel there is not enough coming from streaming as well, but other countries are getting this right.

Q23 **Mr James Frith:** On that point, perhaps, David, you want to answer it. I agree about R&D. I think if this was a scientific endeavour, it would be privy to R&D tax credits, for sure. The argument would be well made. As somebody who has had those conversations with our Government, I can say that it does not resonate, sadly. To that point, however, as a business cost, are you surprised, or indeed, do you see the emergence of streamers into this space, recognising their need to cultivate grassroots music for successive portfolios?

David Martin: You mean streaming platforms?

Q24 **Mr James Frith:** Streaming, or streamer companies having an interest, taking more of an interest, taking more cultivation of grassroots music venues, since the streaming revenue begins with the emerging artists starting, finding their feet, cutting their teeth.

David Martin: I think there is a misnomer that there is no money in streaming. There is money in streaming. It is very similar to the conversation to that we are having here about live music. The money is concentrated at the top of the pyramid. The problems that we see with streaming are more related to recording contracts than how streaming works per se. I am not saying it is perfect. We say that there is no point in muddying the water. There is enough money in live music for live music to support the development of live music.

Mark is right. We look at this as an expense. It is an investment. Look at the Music Export Growth Scheme. From the activity it funds, it returns to the UK purse about £14 per pound. Look at the UK's music industry from 2023 to 2024. It grew at a rate of 13%, £7.6 billion. That is way faster than the rest of the economy. Look at how artists who are invested in grow. We know that they always return more than the investment. We do need to stop looking at it as a cost. Personally—I will not speak for the FAC board on this—I do not think we need to muddy the water, cross-contaminating the streaming and the live thing.

Q25 **Mr James Frith:** Isn't that the problem? I do not see that as muddying the waters. I see it as recognising the ecosystem. If you are a music fan, you do not see it as muddying the waters that you see the band live and stream them afterwards, or vice versa. In fact, you routinely are told when the band you have been listening to is now coming to an area near you. There is clearly an interest in promoting the artists. It strikes me, as somebody who has observed, particularly around the time of Covid, when that ecosystem was arguing for an insurance model to back up the lost earnings, isn't the industry ready to recognise the benefit of being mutually dependent on one another, but sometimes a bit too selfish within its own borders?

David Martin: Look, I think you are right. Neither the fan nor the artist goes, "I'm going to follow music because I just care about live or I just care about recorded". Similarly, probably very few artists are going, "I am getting into this industry because I just want to do recorded music". Most artists want to play live as well.

The pandemic example is a good one, I think, because for a decade prior to the pandemic—not immediately prior to the pandemic, but for a decade prior to the pandemic—the recorded music sector was in the doldrums. The live sector was not being called on to support the recorded music sector at that point. I think that recorded-music money should be distributed more fairly to those who are involved in the recorded music sector, and I think that the live music money should be distributed more fairly to those who operate in the live sector. I don't think it is necessary. There is enough money in each of those parts. You are right that it is an ecosystem. You are right that fans do not see it as two separate things. You are right that artists don't either, but I don't think it is necessary. There is enough money in the system to make this work. We have just talked about £22 million worth of income, potentially, for a levy.

I completely agree with you on the overall picture. I think this may have been talked about in the last report, and we have frequently talked about it—since I have been in this role, there has not been a UK music strategy.

Q26 **Damian Hinds:** Can we come back to business rates, which we have already talked about a little this morning? Obviously, the way that the reduction in relief was done—75% came down to 40%, but the cash cap stayed the same—mathematically means that the effect has been felt more by smaller venues than the larger venues.

Mark, could you say a word about the practical effect of the business rate change for venues?

Mark Davyd: Well, let's be blunt. The practical effect is that, at this point, we have more venues in the venue emergency service than ever before, which is something we run for venues. We have had to write to every local authority in the country, encouraging them to do discretionary rate relief in the absence of the government support scheme.

Q27 **Damian Hinds:** Have you had much positive response?

Mark Davyd: Local authorities have also run out of money. Sometimes the scale of a problem, because it is so specific, gets lost. I do not believe that the country's finances will be saved by £7 million from music venues that do not have it. So, you have to ask, why do music venues get left out of these things when we have such an authoritative report? I think there are big questions there for Government about a lot of words and not very many actions.

Literally, it would not harm the country's finances virtually one iota, less than 0.001%, to keep that rate relief in place. As it is, we are now dealing with venues that are very close to closure simply from that one measure, and then, when they receive their NIC bill at the end of April, are even closer to closure. We are directly having to put money out to venues to pay business rates, as a charity. We are giving money to venues to pay their business rates. It is an absurd position to be in when the noises about how much we value these venues and how important they are, are so clear.

Q28 **Damian Hinds:** More change is coming to business rates, due in April 2026, and of course there is always the possibility of further reform. As a Committee, we write reports to the Government, making recommendations, making asks. Just spell out for us clearly what you think that ask should be.

Mark Davyd: I would very specifically pick on two things. One, these are the ignition engines of a night-time economy experience. People leave their houses to go to the gig, and then they spend money on taxes, on hotels, in bars, restaurants, and so on. If you want to get the night-time economy thriving, you need these kinds of experiential draws, whether the cinema or music venues. Taxing music venues for providing that ignition engine is a very strange way to do it.

Secondly, we are seeing massive growth in not-for-profit entities. When I started this work in 2014, fewer than 3% of all the venues in the country were registered as a not-for-profit entity. The latest figure in our 2024 report was 33%. It is heading towards 37% already this year. Now, what should happen then is, if we have a not-for-profit entity, they should qualify for local discretionary rate relief and that has not happened, for whatever reason, whether the tightness of local authority finances or whatever.

However, for the Committee, I would strongly recommend that at a minimum, venues that are registered as not-for-profit entities, community interest companies, charities, and so on should be being offered the same rate relief that we give to theatres, arts centres and performing arts spaces, which reduces their business rates by 80%.

Q29 **Damian Hinds:** Very briefly, a question on NICs. I think I heard you say earlier that the increase in employer national insurance contributions would prompt more venues to engage with freelancers rather than salaried or waged employees. Did I hear that correctly?

Mark Davyd: Yes. The increase in the headline rate is a challenge. More of a challenge is the reduction in the qualifying rate from £10,000 to £5,000.

Q30 **Damian Hinds:** Is it the overall effect?

Mark Davyd: Yes, for a huge swathe of people who are sometimes a sound engineer, sometimes in a band, sometimes on tour, sometimes working at the venue. It brings them into qualifying for national insurance contributions. Weirdly, as a statistical anomaly, there were a lot of people earning between £5,000 and £10,000 who suddenly you have to pay national insurance on. The solution to that, sadly, is not to employ them.

Q31 **Damian Hinds:** Just to be clear—and I am not asking you to play the role of a Treasury civil servant—a result of that change, as a venue, if I were taking on more freelancers, self-employed people, fewer wage and salaried employees, it would be less tax revenue for the Treasury.

Mark Davyd: Yes. It is a bit difficult to calculate because obviously we cannot be that granular. The maximum impact it could be—wait for it—rather conveniently is £15 million. The reason I say "rather conveniently" is if you put together the £7 million in business rate increases and the potential £15 million of NIC increases, you get to £22 million, which is what, we are hearing a lot, might be raised by the grassroots levy. So even if you gave it all to venues, we would be treading water. I do not think that was the intention of the levy.

So again, I want to go back to how excellent this report was, and later, when you have the Minister here, I think it is very important not just to ask about the grassroots, but ask what the Government are actually doing about any of the recommendations that you created for them? That is the central question. Lots of pressure on the grassroots levy, obviously required, but that cannot be the limit of it. I think in the foreword of our own annual report, we quoted Chris Bryant's response to you—"these are the research and development labs of the UK music industry". Well, let's treat them like that.

Q32 **Chair:** Marit, the MMF has just rolled out certification for managers, which incorporates CISA standards. Do you think that the rest of the sector is on the same page about this?

Marit Berning: I will get back to you on that one.

Q33 **Chair:** Of the nine witnesses today, you are one of only two women appearing in front of us. Do you think that is a fair reflection of what it is like to work in live music?

Marit Berning: Maybe. I don't know. There are obviously some very amazing women in this industry. The MMF has an incredible female leadership team. But it is still a male-heavy industry.

Q34 **Chair:** You understand what CISA is, Creative Industries Independent Standards? It is about signing up to a process by which everyone agrees to behave appropriately.

Marit Berning: That sounds great. No, I did not know.

Chair: So you are happy with that. The MMF has just rolled out certification for managers that basically signs up to those practices.

Marit Berning: That sounds great.

Chair: You would endorse that?

Marit Berning: Yes. I am entirely happy to endorse that one.

Chair: Thank you. All right, thank you very much, team. It has been lovely to see you all. We are grateful for your time today. We will take a short break while we bring in our second act. Thank you very much.

Examination of witnesses

Witnesses: Jon Collins, Nancy Skipper and Steve Homer.

Chair: Welcome to our second panel. We know that there has been some progress in getting money to the grassroots. Around 8% of arena and stadium tickets reportedly now include a donation to grassroots music in some capacity. However, I think it is fair to say that many would hope that the industry goes further and faster on getting this adopted. Of course, others just hope this goes away.

Without further ado, we are going to hear from Jon Collins, CEO of Live Industry Venues and Entertainment, known as LIVE. We have already heard his name mentioned quite a lot during the course of this previous session. Welcome to Steve Homer, Board Director and Concert Promotions Association and CEO of AEG Presents UK, and Nancy Skipper, Operations Manager at the National Arenas Association. You are all very welcome. Thank you so much for joining us this morning. I am going to start by passing over to Bayo Alaba.

Q35 **Mr Bayo Alaba:** Good morning, Jon. What tangible progress has been made on levy negotiations since the previous report?

Jon Collins: A lot. It has been a very hectic year. If we go back 12 months, the Trust was a concept. We came in front of the Committee to talk about what we thought we could do. Then, over the summer months into the autumn, we worked with the Charity Commission to get the trust registered. We finally achieved that in December. In parallel, we were having discussions at the LIVE board about how we wanted the voluntary levy to work, what we needed to do to make sure that we built something that lasts for decades and has rigour and credibility, and that talks to appointing trustees. Then, at the very end of the year, we achieved that Charity Commission registration. We announced that in January. Then, in the last four months, we have seen an acceleration in the number of concerts and tours adopting the contribution as part of the tour planning. So, yes, it has been a hectic 12 months.

Q36 **Mr Bayo Alaba:** Okay. The Music Venue Trust—we have spoken about this earlier today—says that 7.5% of shows announced since 18 December have pledged to donate. My question, probably to all of you, but I will start with you, Jon. Is that enough? Is that sufficient progress?

Jon Collins: It is progress. Caroline used the phrase, "further, faster". That is the mantra. But how do we go further faster? What blockages do we need to remove? How do we get everybody putting their shoulders to the wheel? Steve Homer may talk about the cycle of the tour planning process because that is a factor here as well. Shows that went on sale in January were probably being discussed last June, when the trust was still a notional concept. There will always be a lag in how this builds.

A couple of weeks ago, we announced that we had passed a couple of million in the tours that were pledged. I need to be careful. I do not want to mislead anybody. That does not mean that we get half a million pounds. It means that the tickets for the tours that have been announced are more than half a million, because we know the capacity of the rooms. However, obviously, not every show may sell out completely. Some shows may not happen. So, we will not know the amount of money that comes through until those shows have happened, the accounting has been done, and it comes back to us.

However, we announced that two weeks ago and, sitting here today, we are now over £700,000 in supporting tours because we had Lorde last week, Ed Sheeran last Friday, so this is building, and we are building momentum. However, we are not complacent, further faster is the mantra.

Q37 **Mr Bayo Alaba:** I thought I was talking to the Prime Minister for a minute. I am impressed.

Nancy, can I come to you, please? Again, the same question to you. So, is this good progress?

Nancy Skipper: It is logical progress because, as Jon has touched on, it is a lifecycle and it takes considerable time for the conversation to take place with the artist, with the artist and the agent, and with the agent and the promoter. Once all of those processes are complete you will start to see more artists come onstream with this, and it is actually something Steve could elaborate on brilliantly in his capacity.

Steve Homer: Thank you. Well, to go back to where it started in January, we literally went from a standing start there as an industry, in terms of the conversations that were then starting to be had, myself with artists that I work with. You start having the conversation with the agent, with the manager. They then talk to the artists themselves to get them engaged and to understand what we are looking to achieve by this. It is a big ask to go to an artist and say, "We want to increase your ticket price, but these are the benefits that are going to come from the other side of this if this happens".

It is a process that you go through as a promoter, or anyone else in the food chain, to actually instigate the conversation, come to a consensus and agreement on this and then actually announce it. What has been achieved so far, from where it started—bearing in mind that in January and February are times there is not a lot of activity in terms of things going on sale. There is more towards February, but the first six weeks of the year are often very slow for new tours announced.

We have achieved quite a lot. There is still more to come, but I do think the response throughout the industry, from a range of different artists, both homegrown and international, has been very good very strong.

Q38 **Mr Bayo Alaba:** Brilliant. My next question is to all of you. Prior to coming into Parliament, my background was in the creative sector as a promoter, a venue owner and a show producer. Therefore, in terms of the tribulations of trying to support, spot and nurture talent, I do understand. The blanket levy is also a policy that would certainly have interested me when I was operating venues and producing shows, so what I am asking you: is a blanket levy possible? I will start with Nancy.

Nancy Skipper: It is possible from an arena point of view. We can add the levy, but we would be in an administrative capacity. We do not have any decision making on whether it is added. If the show asks us to add it, we will add it. We can do it from an admin point of view, but from our side it does depend on the buy-in from all of the other parts of the ecosystem, which come before for us.

Q39 **Mr Bayo Alaba:** Steve, would you like to add anything?

Steve Homer: I think the blanket levy question is a little bit difficult to deal with, in that you need the artist to accept it and adopt it. I have experienced a few questions in terms of when these funds become real, where are they going to go and how is that going to be administered, and which part of the industry is this going to? Within the grassroots make up where is it going to go to?

That is an important consideration because it is all well and good saying that we are going to raise this money, but the artists will have an invested part in where it may land for them. They may have a preference in supporting either venues or promoters or other artists in the infrastructure.

To have it as a blanket one, I think having the artist work towards it and adopt it is such an important buy-in because that means that they are going to support it on future tours. We are not just asking for it for this as the first tour that they are going to commit to. Other artists that we are looking at, we want them to be supporting it continually through their career when they are at that level. We want those artists to be saying, "Right, for the next 20 years when I am touring I want to potentially be committed to this". Having sight of where the money goes is important to those particular artists.

Q40 **Mr Bayo Alaba:** Thank you, Steve. When you are looking at the challenges of putting bans on touring and then you look at the possibility of the voluntary levy, do you think that the adoption of the levy is something that people within that ecosystem would embrace as mandatory or voluntarily?

Jon Collins: They are, I think. When we look at the way LIVE is structured we have 15 associations that sit on our board. We have venues, artists, promoters, managers, and agents, all represented along with ticketing production and the wider sector, and there has been a tremendously communal spirit there from the very start of our discussions about making this happen. It is a voluntary initiative, so it is about winning hearts and minds and bringing everybody along with you. That does take time.

What we have seen from the tours that have already been announced is that the majority have been promoter led. It has been the promoter that has marshalled the conversation, but then we have had agent led tours coming on board. We have had artists instigating that the tour comes on board and, prior to the Trust—and Mark has already mentioned it—but Ian Johnson, the manager of Enter Shikari, was instrumental in making that happen. So, there is a collective will. It is just a question of how we build that over time.

Q41 **Mr Bayo Alaba:** Okay, thank you. Nancy, you mentioned earlier about the ecosystem. Something that we have not mentioned is the ecosystem of talent, I suppose. We have referenced the venues, radio stations, record labels, all those key stakeholders in nurturing and spotting talent. Do you think that has an impact on spotting talent and actually giving promoters the confidence to produce shows?

Nancy Skipper: Does the levy?

Mr Bayo Alaba: Yes.

Nancy Skipper: Anything that encourages more attendance at the venues and promotes the venues themselves cannot do any harm, but I am not sure how the levy specifically would help with that. Are you, Steve?

Steve Homer: Not particularly. It is more about awareness of artists.

Jon Collins: I mean, we probably got most animated on radio when there were threats to the BBC's "Introducing" because we know what a great role that plays at the local level in giving emerging talent a platform. In terms of how the levy is structured and how we work, we have been clear that this is about the Trust being the vehicle to receive the £1 from the concert ticket. It is a bit like David's point: yes, there are other parts of the music space that can be doing things and have a role to play, and we would very much welcome them stepping forward to do things, but for us it is about making the Trust as successful as possible.

Q42 **Mr James Frith:** Hi, everybody. Thanks for this morning. Jon, you were mentioned quite a lot in the first session. I have a question for you: have you specifically asked Live Nation to get involved in this? It was decidedly absent from the list of praise from one of the previous witnesses.

Jon Collins: Yes. Live Nation is actively involved in the discussion and the process, in terms of having a seat at the LIVE board. One of its presidents is the chair of the CPA, which Steve is representing today, so Live Nation has been part of the process from the very beginning.

I have been in and briefed Live Nation's communal group of promoters' meetings that it has. It has shared the papers that we have prepared on the Trust and cascaded them through the company. It is a party to some of the tours that have been announced. DF Concerts, which is part of Live Nation, is promoting Mumford & Sons and the Pulp shows in Scotland.

SJM was the main force behind bringing those tours into the Trust, so I would like them to move further and faster, but I would like everybody to move further and faster on this.

Q43 **Mr James Frith:** When do you think Live Nation will become part of the programme?

Jon Collins: Live Nation would definitely say it is part of the programme. Live Nation is in conversation. It is part of conversations, so I think Live Nation is in there already.

Q44 **Chair:** Will conversation turn into action?

Jon Collins: Yes. Again, Live Nation would say that through DF Concerts it has been part of Mumford & Sons and Pulp. I would imagine some of the other shows that we have mentioned here, Live Nation is the promoter for those as well. This not just a Live Nation point, but for a lot of people in the sector we are selling them a concept at the moment. We are trying to get them to buy into something that has not delivered anything yet. I think we are growing momentum, and we are seeing more shows come on board more rapidly.

Once we get to the point where you are seeing shows deliver funds and funds deliver programmes, then actually it is going to become the norm. That is what we are building to. It isn't about one company. It is about the whole sector, so that when there is a discussion it is the promoter, the agent, the manager, the artist, the arena, primarily from an administrative point of view, all saying, "Are we doing this? Yes, we are".

Q45 **Mr James Frith:** Changing topic, the Minister has talked about developing a 10-point plan or a 10-plus point plan for music. What would you like to see that DCMS has not already committed to?

Jon Collins: There is a lot on the shopping list. We do not have tax reliefs in this sector. I think there is a very clear-cut case for festival tax relief, because it is very obvious who is taking the risk and who is putting their money on the line. The margins in festivals mean that we had 78 call time last year. There are fiscal things around tax relief. We would obviously love to return to the discussion on VAT, which is 20% here and 5.5% in France, and 7% to 8% in the markets we are competing with. There is not just a grass roots issue around VAT, but international competition, the competitiveness point. Where do you put that stadium show: in London at 20% or Paris at 5.5%?

It is a consideration that at the margins is reducing the number of shows that are coming here. Combined with the challenges around EU touring, it risks our position of being a hub for international touring when artists come into Europe. There are fiscal elements. There is sorting out EU touring. Obviously the summit is happening next week, and we believe we are in the mix for discussion there. We know it is a manifesto commitment. We are very aware that Ministers are really serious about looking to deliver that, so that is great.

More broadly, can we have a music export office, please, to compete with Canada, Australia, and South Korea, who are taking a share of the global market? David has already demonstrated the return on investment that we get. There is an issue with visas and moving international talent in and out of the country. We think there needs to be some special consideration that, if you can only apply for your visa three months before a show, but the show goes on sale nine months before that, or six months before that, that creates another element of risk that compromises our ability to maximise the number of shows. So has secondary ticketing, so remove the touts and let's finish with let's save the planet and work together on sustainability, because there are things the Government could do around grid connectivity for outdoor spaces and also working with metro mayors to build travel into the gig ticket.

Q46 **Mr James Frith:** That was quite a guitar solo, Jon. Well done. You have crept on to my question, which was going to be about EU touring. Just to Steve and Nancy, please, on the issue of EU touring. It has been suggested that the Government will push for a deal on EU touring, something I have supported, and I know colleagues in the session here today have. We will be doing a session on this later in the year, but what would a good deal on touring look like for the UK?

Steve Homer: A good deal for touring in the UK? I would say just to—

Mr James Frith: For the UK, not in the UK. For the UK in regard to EU touring.

Steve Homer: Do you mean artists touring, coming from Europe into the UK?

Mr James Frith: UK artists to the EU.

Steve Homer: Right, UK artists to the UK. Again, the resistance to all the costs that actually come with the touring element in terms of going into Europe mean that it is a far more expensive way of touring now compared to where it was pre-Brexit. It is definitely a consideration that artists have when they tour internationally, how many stops they make and whether it is just the UK or in Europe. UK artists are definitely struggling when they look at Europe as an option, so anything that would ease that would certainly be beneficial.

Nancy Skipper: From my point of view, it is difficult for me to comment because we are purely based in the UK, but anything that generates greater touring content either way, if an artist in the UK can create a bigger tour and go on to tour Europe more easily, or if the European artists come that generates content in the arenas, so that is a positive.

Q47 **Mr James Frith:** Jon, a final comment.

Jon Collins: Very quickly, just to add that any deal with the EU needs to cover artist, crew, kit and merch. It cannot just be about the 90/180 in Schengen. It has to be about carnets, cabotage and making it easier to take kit in and also, yes, merchandise is a critical part of touring.

Chair: Thank you very much, James. Let's go back to Bayo.

Q48 **Mr Bayo Alaba:** Thank you. The Government have now said that they will introduce a statutory levy if discussions do not result in progress. Are sceptics and holdouts on the levy apathetic towards this outcome? That is to all of you. Who would like to take that first?

Steve Homer: I sit on the Concert Promoters Association, and I think there is very much a general consensus that it does not want it to be statutory because if feels that if it became a statutory levy it could be distributed outside of the world that we function in, which would be against the principle on which it has been set up, to actually help sustain the businesses that we work within. There is definitely a recognition that the importance of it to stay under the control of the LIVE Trust is very important to us as a body. If we are supporting this, we feel it has to generate the revenue for the people that work within our industry.

Q49 **Mr Bayo Alaba:** You trust the LIVE Trust to—

Steve Homer: I trust the promoters. They are a bunch of very individual people, shall we say, being polite. Promoters are a very odd breed of people, and I class myself as one of them, but I think between us we all have—even though we disagree at times—the general consensus that that is the way of direction that we want this to go in and we want this to remain as a voluntary thing.

Nancy Skipper: The arenas would say the same. They would favour a voluntary levy. The obstacles that they face in regard to the arrangements around the VAT and how those are treated should be resolved first. We should be getting to the bottom of that before we go down the statutory, from our point of view.

Q50 **Mr Bayo Alaba:** In terms of the promoters and the arenas, as an industry, you both feel that you will trust yourselves to think collectively in terms of the levy introduction?

Steve Homer: Yes.

Q51 **Mr Bayo Alaba:** The last to you, Jon.

Jon Collins: Yes, the collective is in our DNA. LIVE was formed in response to lockdown when everybody came together as a sector. It is one member, one vote. It does not matter if you are representing the biggest companies in our sector or the independent elements, and it is artists, venues, promoters, festivals, agents, managers, production, all together communally to think about these things.

We have had a clear steer from the board about how they think the Trust should be constructed, how it should operate, and we know we need to balance the membership of the board of trustees to ensure that it has credibility. So, whichever direction you look at it, be that operationally, other artists' voices on there, the venue manager, geographically, if we have voices from the nations and regions, then of course the characteristics as well and how we balance by gender and ethnicity.

We are quite close to the end of appointing the next wave of trustees. We have three original trustees. We are now appointing a further six. It has been a bit of a 3D matrix of trying to balance all of those considerations, but we believe we have achieved a strong set of further trustees who will ensure that the Trust has credibility with the wider industry.

Q52 **Mr Bayo Alaba:** Brilliant. Thank you, Jon. Nancy, this a question to you: how can we make sure stadium shows as well as arenas are also in the scope of the levy?

Nancy Skipper: I can only speak on behalf of the arenas, but that would really have to be led by the artist side from the promoters.

Steve Homer: It is a similar conversation that happens with arenas. Obviously, there are fewer stadium shows, but the same principle applies. The promoter would discuss with the agent, managers, and artists about inclusion in the scheme. If the timing of this had been earlier there would be more stadium shows. Those that went on sale pre-Christmas weren't able to participate and would have participated in this. I think we would have seen a broader span of stadium shows if it had been earlier. It is just the timing and when we started in January has made it more difficult to incorporate all the stadiums this summer.

Jon Collins: Yes, and we do have Ed Sheeran shows that have been announced that are taking place at Portman Road, so I would class that as a stadium.

Q53 **Mr Bayo Alaba:** My next question is: how do you respond to concerns that, by relying on artists who advocate for the levy, the burden will fall mainly on them, including those who are not at arena or stadium level? That is a question to you, Jon.

Jon Collins: First of all, nothing should be being asked of artists who are playing anything below arena level, certainly in terms of the LIVE Trust. We are clear about that. It is 5,000 capacity and above. In terms of how the decision is made, I do not believe that the burden falls on artists to be the sole decision maker and it shouldn't. It should be a collective discussion between promoter, agent, manager, and artist.

Looking at the shows that have come on tour most recently. For example, with the Lorde shows it was the agent that was the driver of that one. Ed Sheeran, I think it was the promoter and manager who were the lead in the discussion.

Artists should not be being positioned as the sole arbiter in this. What we do recognise is artists are by far the most visible part of the process and so we need to celebrate where the artists have supported and then, if artists are receiving criticism, as our wider duty of care, we need to figure out how we support them through that.

Q54 **Mr Bayo Alaba:** Some artists have chosen to donate directly to the Trust, so where does this leave the LIVE Trust and its commitment to venues, artists, festivals, and promoters?

Jon Collins: Do you mean that artists have—

Mr Bayo Alaba: Yes. They have donated directly to the Music Venue Trust.

Jon Collins: To the Music Venue Trust. Yes, again, that is partly Steve's point about the gestation of the Trust that when shows go on sale the Music Venue Trust and its Lifeline Fund are very clear that if an artist wishes to incorporate £1 as a contribution into their shows that should come to the LIVE Trust. There are legacy deals that were put in place before we existed, which are understandably going to MVT but, going forward, the LIVE Trust is the repository for that money.

Q55 **Mr Bayo Alaba:** Steve and Nancy, would you like to add to that?

Steve Homer: With any new scheme, regardless of where it sits in whatever industry, you are always going to get early adopters, and you are always going to get champions as well, the people that will be out front carrying the torch. I think you have seen this from artists like Coldplay, which is what you are referring to in terms of the stadium. People like Ed Sheeran and Katy Perry have adopted this early on, and other people who are almost waiting to see where other artists lead.

In terms of the scale of the artist, you cannot get much bigger than Coldplay adopting a scheme like this. Other artists will consider them to be peers and will follow their lead, so it is important that we have such a breadth of people that have championed this right from the start. I think that will lead to more people just naturally wanting to be part of it because their peers, and people that they look up to, are adopting this scheme for their tours. As I keep saying, it is a great start and we are just in the early phases of it and the early adopters from promoters, artists, managers, and agents are all there, and so we are just waiting for everyone else to catch up.

Q56 **Chair:** Thank you, Bayo. Steve, you were here for the previous panel, and I think the Music Venue Trust told us that we are going backwards in terms of grassroots venue closures. It suggests to me that you are putting the onus on the artists to lead this. Do you think that by doing that you are effectively letting some of your fellow promoters and arenas off the hook?

Steve Homer: Well, for a start the arenas will just be the administrative part. It is not letting the arenas off because they will just be part of the chain of operation. As far as promoters are concerned, the onus is very much on the collective to actually go into this rather than just saying it is on the promoter's head. This is recognition for an industry that is struggling at grassroots. It is not just the venues. It is artists and how they actually manage to perform. It is also touring staff.

Mark was explaining that there are a lot more freelancers now, and festivals as well. The overall is just about supporting the infrastructure out there. That is the critical part. We are literally trying to protect the future of the business because as a national promoter, ourselves as AEG, along with Live Nation and SGM, we all promote shows in grassroots venues, which are very much considered to be a loss leader because, as has been explained before, no one makes money there, but you have to support emerging talent as best you can. There is a lot of buy-in from all the promoters about how to nurture talent and the importance of our role in that.

Q57 **Chair:** Do you think everyone gets that? Do you think everyone understands that the whole industry succeeds if there is a vibrant and flourishing ecosystem or are there any blockers?

Steve Homer: I genuinely think that all the promoters who are part of the CPA—and across the country as well—are very aware of the need to support the grassroots because that is where most of the people who work in those industries came from. We are all promoters who started using the money that we earn from our job to fund shows. That is the way it all starts. Mark was referring to independent promoters who are out there who don't have the benefit of the bar revenue or anything like that, and it is all based on ticket sales. That is a tough role to be in, but that is what we do.

Q58 **Chair:** What about the Government, Jon? How supportive are they? What conversations have you had with HM Treasury about the fact that it wants to stick VAT on the levy or take VAT off the levy?

Jon Collins: That has been a frustration. Where you do have people who may be at the more reluctant end of participating when they are asked to do something and then the message back from the Treasury is, "There is no way around this, it has to be VATable", I think that gives those people an opportunity to say, "Well, this isn't really a partnership approach, is it? We are not really all in this together". It is a frustration.

We would like to find a way through that, and the ideal would be that it is just exempt from VAT. We are having similar conversations with PRS where we think that we are finding a form of words so that the £1 will not be PRS-able, but the ideal would be to find the cleanest mechanism so that it is £1 in, £1 out. At the moment it feels a bit more like a classic Treasury says no.

Q59 **Chair:** What is DCMS saying?

Jon Collins: DCMS is saying that, "We're talking to Treasury. We have asked, and Treasury have said no". I think DCMS is looking at it more as if it is inescapable that this 20p has to be collected, how do we find a way that that comes back to supporting music and supporting grassroots music, in particular? Our answer to that is just donate it back to the LIVE Trust.

Q60 **Natasha Irons:** Sorry, Jon, you have more talking to do. What is LIVE's long term funding strategy for the LIVE Trust?

Jon Collins: It is about growing the take-up of the contribution until it becomes the norm. As I say, we have about 716,000 tickets attracting the levy at the moment. Obviously not all of those may be sold, and so on, so the next target has to be: can we pass 1 million this year? We feel that, yes, we can. Particularly, as Steve mentioned, there is a peak period for tours to go on sale in the autumn months post the festival season.

Then it is a question of: can we move through the multiple millions next year, so 3 million to 5 million showing progress? Then how rapidly can we get to the norm? For me that would be: are we seeing 80%, 85%, 90% of tickets carrying the levy? At which point, as Mark touched on earlier, we would be looking at distributing £18 million to £20 million a year. We can do a lot with that.

Q61 **Natasha Irons:** It came up earlier that you have just appointed trustees. That is very exciting, but how will you ensure that they remain independent, and also that they have the skills and the support for good governance and keep things in line?

Jon Collins: Absolutely, yes. We created a matrix of what our ideal trustees would look like, and it would be of the industry, but not beholden to any particular part of the industry. Certainly, no conflicts of interest around where potential funding may go and have the expertise and experience and ideally bring with them additional skills—maybe that is financial or legal—and they have sat on other trusts. For example, James Ainscough, who is one of the first trustees, is chief executive of the Royal Albert Hall, which is very, very unlikely to ever be a recipient of any funds from the Trust. He has previously run a charity and so he brings a lot of great awareness of how we need to structure the Trust to be an independent and credible body.

Q62 **Natasha Irons:** We have heard a lot from artists and grassroots music venues, but how will you ensure that the money gets to festivals and promoters as well? Obviously, we have heard a lot about the ecosystem and the wider way that this all connects so how will you support that?

Jon Collins: Steve Lamacq is my chair. He said I should have tattooed on my forehead, "Artists, venues, managers, festivals". No, I got it wrong, "Artists, venues, promoters, festivals". We have said that so many times. It is about ensuring that. When we sat here a year ago and talked with the Committee we said it is not just about venues. It isn't just about artists. It is about all of the people who are taking risk at the grassroots level and how we help them to mitigate that risk. That is the directive we will be giving to trustees.

The two messages are: one, that we want to fund programmes, not individual grant applications because we know there are lots of great programmes out there or in development. Secondly, the steer from the LIVE board to the board of trustees is "artists, venues, promoters, and festivals", so how do they want to translate that into an annual funding strategy?

Q63 **Natasha Irons:** What has the feedback from promoters and the festivals that you are working with been at this point?

Jon Collins: Again, this is the strength of LIVE. The Association of Independent Promoters and the Association of Independent Festivals sit on our board. The major promoters and festivals are really captured under the CPA. It is inescapable when we are having a conversation, when I am sending a briefing to the board, that I am going to get the perspectives of all of those parties. It is just naturally how we function.

Q64 **Dr Rupa Huq:** Thanks everyone. Jon, you have alluded to this already, but I just wondered, do you agree with the Government—the Minister has just walked in—and also with my private Member's Bill that it is time to do something about secondary ticketing?

Jon Collins: Completely; you know, the touts. I think there is this vision of a tout as being a bloke in a camel hair coat stood outside a venue shouting, "Any spares?". They do still exist, but the reason we have such long queues on sales at the moment is because of organised crime looking to harvest tickets through unleashing an army of bots to elbow the regular fan out of the way, grab those tickets and immediately put them onto a secondary site at a huge mark-up.

That money then disappears out of the gig goers' budget, so they cannot spend it on other tickets. They cannot spend it on merch at the venue, and it just does not come back into our system, so we are absolutely 100% supportive of action to cap secondary sales.

Steve Homer: I totally agree. As Jon was saying, the on-sale process now for major shows has been slowed immeasurably because of all the checks and balances you have to try to de-bot as many people out of the queue as possible. There are also different mechanisms to sweep through to remove touts from the system. There are a lot of mechanics that are in place from the ticketing people.

The main thing to consider with that, though, is that 100% of the time the touts spend all their time trying to attack the ticketing systems and get tickets. Whereas you cannot spend that amount of time on your Ticketmaster, ASX or See Tickets because you have to have the mechanics to sell the tickets. You are not just trying to fight off the touts. It is a situation where it really needs addressing very strongly because it is costing audiences, fans and artists a lot of money, which should be going direct to that.

Q65 **Dr Rupa Huq:** Ed Sheeran has made his Ticketmaster resale-proof, but I think at a lot of expense to himself. Do you have any comment on that?

Steve Homer: He has been very vocal and very active from the start about trying ways to keep the resale of any tickets with no increase in there or a minimal increase to cover fees and things like that. He has been a very big champion of trying to eradicate secondary ticketing. It is great that he supports it so strongly.

Nancy Skipper: From the NAA point of view, the NAA provides the box office staff who are the frontline dealing with the customer and the customer service element of the outcome of the touts. Although Steve and Jon have both touched on the large-scale tout problem, there is also the smaller scale tout problem where the person has fallen foul of a scam or something that is not correct, appears at the venue on the night, cannot get in and has spent this enormous amount of money and the face-to -ace dealing with the upset of that. The NAA would also completely support the cap.

Q66 **Dr Rupa Huq:** What would you like to see come out of that? There are two Government consultations that are both closed now. There was a secondary ticketing formal consultation. There was a dynamic pricing call for evidence. Also, the CMA, after the Oasis debacle in the summer, launched one as well. What would your members—the three of you—like to see as a result of those?

Jon Collins: Swift action on secondary ticketing, so let's get a cap in place. There are different discussions about where that cap should sit, but let's just get legislation at the earliest opportunity and remove that unlimited profit incentive, which is why the organised crimes are in our sector at the moment.

Then I think the lesson on dynamic pricing is it isn't always dynamic pricing. There is this idea that there is an algorithm there that is saying, "Right, we now need to move the price from this to this". As I understand it, that is not typically or actually ever the way. It is more a pre-arranged, "We are selling this many tickets at this price, this many at this price". That is very common if you think about a festival with an early bird ticket. That is the classic example. We want the ability still to move the price—

Q67 **Dr Rupa Huq:** With a maximum mark-up or something?

Jon Collins: Not in the original sale, no. We have spent all of this session talking about how artists cannot make money. I don't think we should end it by talking about capping how much artists can make when they are the 0.0001% of artists who have the ability to move price to a certain point because they want to put on a stadium show with all of the production and costs that go with that.

Q68 **Dr Rupa Huq:** Steve, when I was trying to do this Bill, not many Conservatives would sign up to it, to be honest. They said that it was too much state interference in our lives and, like a plane ticket, people should be able to hike it up if there is demand. What do you think?

Steve Homer: You cite plane tickets, but obviously we have submitted our views in the submission documents. The weird thing is that tickets are the first thing that get criticised for the price. Whereas when you talk about plane tickets or you talk about hotel surge pricing and things like that. When people buy tickets for a show at Wembley, all the hotels around Wembley are suddenly a lot more expensive than they were 24 hours before it went on sale. In the experience piece, the ticket is one of the cheapest parts of the whole thing. Then the infrastructure goes wild around it, in terms of hotels, travel, and flights. Everything like that goes wild around it. Any form of being able to regulate it from the source is actually very useful for us.

Nancy Skipper: From our point of view, it is obviously very difficult to talk about ticket pricing or the strategy. Ticket pricing is set by the promoter. We would deal with it but anything that impacts on us, from a customer service point of view, is not as favourable but, as Steve eloquently points out, there are other aspect of buying a ticket, you might buy a hotel room, you might go out for a dinner. Those things may or may not increase or decrease at the same time, but certainly in terms of setting the ticket price that would not be something that we would be involved in.

Q69 **Dr Rupa Huq:** That is another question I had. I can understand when you buy something online what a delivery fee might be, but why are there things like a print at home fee for using your own cartridge and your own paper? Why are there things like a facility charge fee? There are always these mysterious things. There is the actual price and then what you pay at the end. It is sometimes quite scary, but you feel pressured because you have got to the end of the process. Who does that money go to, those extra bits and pieces?

Nancy Skipper: There are a variety of different ones. You have mentioned two there. Facility fees or restoration levies, which are sometimes charged by venues, go to the venues. Different venues have different operating structures, so the way in which that is collected or distributed would be different. Print at home fees I cannot really talk so much about.

Q70 **Dr Rupa Huq:** I think with the Kylie concert, BST at Hyde Park, it was £89 for the ticket, £25 for this other stuff—nobody knows what it is—and a processing fee. In the olden days it used to cost less to get it online than going in person and now it has gone the other way.

Jon Collins: What I learned coming into this sector three years ago is that there are multiple parties around any event, any tour and any show. You have talked about fees—those would go back to the ticketing agency and to the venue. I think there is a legitimate case for them, but are we being transparent and upfront with the customer so that they understand? I do not think there is a case to remove any of those fees. I do not think you would reduce the actual final cost of the ticket. It is just that the way the industry has evolved, we have ended up with this. There is the ticket and then there are elements that sit inside the ticket and things that sit outside.

Q71 **Dr Rupa Huq:** Well, the Minister is here so is there any last-minute plea for him—you can vocalise it now—of what you want to see coming out of these two consultations?

Jon Collins: We were with the Minister fairly recently, so he knows our view of—

Q72 **Dr Rupa Huq:** This on the record here. We do not know what happened behind closed doors.

Jon Collins: No, absolutely. Let's remove the touts. It is as simple as that.

Dr Rupa Huq: Okay. That is the big problem.

Q73 **Chair:** Finally, before we let you go I guess what I am struggling to understand is before the Government responded to the Select Committee report this time last year and before the LIVE Trust was established, organically, the sector had delivered round about 6.5% of tickets with some form of contribution back into the sector, because artists like Katy Perry and Coldplay had unilaterally decided that they were going to do it.

The Government accepted one of the recommendations of the Select Committee and have made all the running towards bringing the sector together and towards finding a solution. LIVE Trust was established. Since then—which is I guess the beginning of the year—we are only up to about 8.5% or 8.3%. That is just over a percentage point's growth in just under six months. It is not very good, is it? What is it that we need to be able to see the further and faster, Jon, that you talked about?

Jon Collins: I think clarity on the mechanism, so again if we can get any further progress with Government on whether, if we put this £1 outside the ticket it will not attract VAT or, if it does, that money will come back through to us. That is one of the biggest factors.

I think the other factor is, yes, there were those examples of donating to the Music Venue Trust. That was one important point in the process, but it was only one part of the process. What we have had to build is something that sits across the whole sector that is going to have credibility for decades to come, so I appreciate it might not look like we have advanced the number that far but, like I say, we have gone from half a million to over £700,000 in the last two weeks. It feels like we are building momentum here.

Q74 **Chair:** If we were to have this conversation again this time next year—which we may—where will we be then?

Jon Collins: This time next year, we will be past the £1 million and I would hope that with a healthy autumn we will be able to point towards being in the multiple of millions.

Q75 **Chair:** What would that look like percentage wise?

Jon Collins: Mark is the guy who tracks those figures.

Q76 **Chair:** Right. You think that this time next year we will see a significant uptick in the amount of money coming in through the levy?

Jon Collins: The momentum is there.

Q77 **Chair:** There are no blockers?

Jon Collins: There are always blockers when you are trying to build something new and voluntary, but I do not think there are any insurmountable blockers.

Chair: Very good. Thank you all of you for coming in and giving us evidence.

Examination of witnesses

Witnesses: Sir Chris Bryant and Alastair Jones.

Q78 **Chair:** Finally, we come to what you might call our headliners for today's session. Welcome to Sir Chris Bryant, the Minister for the Creative Industries, Arts and Tourism, and the Minister for Data Protection and Telecoms. My goodness, that is a long job title, and Alistair Jones, the Deputy Director for the Creative Industries at the Department for Culture, Media and Sport. You are both welcome. Thanks for joining us today. I know you have had a chance to hear a little bit of the evidence so far and you have certainly heard my last question to Jon. How happy are you with the £1 donation in contributions from arena and stadium shows to date, Minister?

Chris Bryant: Sorry, say that again. I am slightly deaf and this a really difficult room in which to hear, so if you could bellow, that would be very helpful, Dame Caroline.

Chair: I have never been known to bellow in my life, Sir Chris. How happy have you been—

Chris Bryant: That is what not what Tom Cruise told me last night.

Q79 **Chair:** Well, what goes between you and Tom is very much for you. How happy have you been with the number of £1 contributions from arena and stadium shows to date?

Chris Bryant: Well, in the words of Harry Styles, we are pleasing, never perfect, so I would prefer us to have achieved a lot more by now. However, I said in my letter to you—in I think November last year—that we hoped to make substantial progress by the first quarter of 2025 and we have made substantial progress. That is good. But look, I want to say to Harry Styles, when you are next thinking of your next tour, please sign up. I know it is not always just up to the artist. It may be a whole series of people are making the decision, but please sign up.

If the Spice Girls could get their act together to start touring again, which I would love—I think you nodded to that, Dame Caroline—it would be great if they signed up as well. I can give a long list of people, but the worst thing of all is if we were to get to the end of the year and we are still on the kind of numbers that you were talking about earlier, because then people would say that the levy was dry. Sorry, Don McLean or Madonna, depending on—

Q80 **Chair:** It has been a very long morning. At that stage would you introduce a mandatory levy?

Chris Bryant: We have said that we want it to be a voluntary levy because it is quicker to achieve. As you know, anything that requires statute takes forever and a day. I do not know when the next King's Speech is going to be, so I do not know when we would be able to legislate. I do not think we would be able to do it by secondary legislation.

Jon Collins and I spent quite a lot of time together and the feeling in the meetings is there are some things that we still have to overcome. We still have to get the charity completely up and running, because it is not just about the money coming in, it is about the money going out, but I honestly have been impressed by how we are getting there.

Are there people who could do a bit more? Live Nation might want to step up a bit more, but it is a very big player in this world. I get that an individual artist might not. Their whole stick might be that they have a particular kind of charity that they want to support, and this might not be right for them. However, I just want everybody who is considering a big tour in the UK coming up in the next year or so to sign up. Then we will have millions of pounds going to smaller grassroots venues and everybody will pay tribute to you and your Committee.

Q81 **Tom Rutland:** The Music Venue Trust says that only 7.5% to 8% of shows announced since 18 December have pledged to donate. Do you think 100% is possible in a voluntary system?

Chris Bryant: Probably not, is the honest truth, for the reason that I just said. There might be an individual artist from overseas or whatever who might want to say, "If there is a charitable donation coming from me from my gigs it is going to go to the Amazon rainforest" or whatever it may be, and I would want to honour that. My guess is that it would help if we could send out a really clear message from this Committee to every single artist in the UK or in the US, who are going to be filling an arena over the next five years, "Please, please sign up, because this is about the future of small music venues in the UK". In the end it is about the future of music because you do not get big attendances at big gigs unless you have small venues as well surviving as part of the UK ecosystem.

Q82 **Tom Rutland:** We heard from arenas earlier, but we should also discuss the stadiums. How are you ensuring that they do not fall between the net?

Chris Bryant: They are all part of the equation as well, and of course there is a lot of interaction between all the various parts of the ecosystem, and we are talking to them too.

Q83 **Tom Rutland:** Earlier we heard from the chief exec of the Featured Artists Coalition, who said that we mainly have a system at the moment of artist-led donations. Do you think it is right that the contributions to date have mainly been driven forward by artists?

Chris Bryant: Well, it ends up being the whole package in a sense, because for anybody just putting together a tour—there are lots of other things that affect tours in particular, particularly big stadium tours, many of which I have addressed in different arena, including the issue of whether they can tour in Europe and things like that—if we can manage to get all of those issues right, it is the interaction between the artists, their management company and the stadium itself that ends up delivering the goods or doesn't.

Q84 **Tom Rutland:** Coming onto ticketing websites, Joff Oddie of Wolf Alice said earlier that the ticketing websites sometimes resist the £1 levy, despite obviously putting fees on top of tickets themselves. You said earlier that Live Nation could do more. What more?

Chris Bryant: Live Nation could sign up 100% and help in relation to Ticketmaster, but also in relation to any of the acts that it is representing. I don't know whether Alastair wants to add anything to that.

Q85 **Tom Rutland:** What kind of conversations have you had with them about it?

Chris Bryant: They are all part of the equation, and I am having a bit more of the conversation here now with them.

Q86 **Tom Rutland:** Are there other ticketing websites that you feel are in a similar position?

Chris Bryant: The ticketing websites? Obviously, that takes us on to the secondary ticket market as well. There is a whole series of questions. I noticed the questions that were asked previously that we may want to address, and some of the conversations that we are having with them have been slightly more fraught in relation to whether we should take legislative action, which I think is our intention.

Q87 **Natasha Irons:** Based on all of your engagement with the sector, including the time you spent with Jon, are you confident that the LIVE Trust will be sustainable and well governed long term?

Chris Bryant: Yes. It is not easy setting up a new charity. Lots of us have done it as MPs and end up doing things in our own constituencies. I have myself. Obviously you want to make sure that the fiduciary responsibilities of trustees are adhered to. What is good is that quite a few people who have already signed up as trustees are people who have been trustees on other bodies as well. That means that they know what the job involves. Obviously, we want to make sure that as much of the money that goes in goes out to the right place, but I am pretty confident that they have held interviews for a significant number of people just to complete their roster of trustees, and I am pretty confident that it will be sustainable, yes.

Q88 **Natasha Irons:** Given your own experience of setting up a charity, any advice for them?

Chris Bryant: Keep calm, and do not get too frustrated with the charity commissioners. They have an important job to do to make sure that everybody understands their responsibilities that they take on as a trustee. However, you do have to dot the I's and cross the T's. You cannot take shortcuts when it comes to getting all of this right.

As I said earlier, it is not just about the money going into the charity, it is also about the money going out. I am very hopeful that that could happen by the end of this year. I have pushed Jon and others to go as fast as they possibly can, but I do not want them to go so fast that they make mistakes. I think that is a really important part.

Alastair Jones: I would just add that the credibility of the Trust is really important. The fact it is working with organisations like the Featured Artists Coalition, MVT, and the Music Managers Forum for them to distribute funding to where it needs to go in the sector, and not creating duplication, is really important to its credibility and good functioning in the sector.

Chris Bryant: If it loses any element of credibility, people are going to start saying, "Well, I am not going to sign up to this".

Q89 **Natasha Irons:** The Arts Council has set up the Featured Artists Coalition, and it has distributed those funds into the LIVE Trust. Is that your preference necessarily? If a body sets up something similar like that or to go straight into LIVE Trust, do you have a preference either way?

Alastair Jones: I think we might be conflating a few different things, and that is part of the role of the LIVE Trust to make it simple for everyone. The Arts Council has been advising on this. It has a lot of experience in grant making and it has been hugely helpful as part of the group. I know Jon would echo that.

There are things that the LIVE Trust could apply to, so the Government funds, the supporting grassroots music fund. We have committed £2.5 million for the financial year that we are now in. That could be something that could support the LIVE Trust. The LIVE Trust will co-ordinate and distribute to the sector. I think the Arts Council will help on that, but ultimately it is up to the LIVE Trust.

Q90 **Natasha Irons:** Do you think there is any scope, though, to look at things like something relative to the Featured Artists Coalition for festival promoters, and those other bodies that we are discussing throughout this process?

Alastair Jones: Festivals are represented as part of that. They are involved with the LIVE Trust, the Association of Independent Festivals, and John who runs that—a different John—is very active and, as Jon Collins said, "festivals" is tattooed on his head as one of the priorities for the LIVE Trust to distribute that funding. I think it is already involved, and I am sure it will be supported.

Chris Bryant: And in many ways struggling as well.

Q91 **Natasha Irons:** Finally, do you think the industry believes you when you make your threat about bringing in legislation to make the levy statutory if necessary?

Chris Bryant: They had better do and, to be honest, we have had such constructive conversations since I took on the role and on the back of our response to your Committee report, and I think on a couple of occasions Dame Caroline has asked me questions in the Chamber—and others have—about whether we would implement legislation. We are very clear that we would if this were not proceeding. But it is proceeding. We have got to where I hope we would get to by now. I would like us to go a bit faster over the next phase. I would like more people to sign up.

I understand that obviously lots of people who are performing now, they came to their arrangements 18 months, two years ago about their tour. But there are lots of people who are thinking about touring now. I guess

Taylor Swift is going to be thinking about another tour soon. I hope she will sign up. U2 must be thinking of a tour, and we will be doing it with or without you.

Chair: Are you just giving a wish list of all the artists that you would like to see perform in the next couple of years?

Chris Bryant: I am already going to Diana Ross.

Chair: So you are in the middle of a chain reaction.

Chris Bryant: I am also going to the Scissor Sisters, and you will be shocked to hear I am going to see Kylie. But I think the Kylie tour was all organised long before this and I am sure we should be so lucky, but Kylie might arrange another tour, and when she has another tour I hope she will sign up too. Should we stop this now?

Chair: I think we probably should.

Chris Bryant: Stop in the name of love.

Q92 **Chair:** When you say you want to see substantial progress on the levy—I do not want to keep pushing you on this—we are currently at just over 8% and Jon said he could see us at a place where that would be pushing towards a million by the end of the year. Is that substantial enough for you?

Chris Bryant: No, I would prefer to see more than a million by the end of the year partly because I want to see more tours happening in the UK, and this is not the only part of the equation for that. Also, I want to see more money going into the funds because some of this is urgent. We cannot hang around.

There are several areas where I have said that we might choose to legislate. Another area is in the remuneration of musicians and artists. If we have to legislate in that sphere we will, and of course we are looking at legislating in relation to the secondary ticket market.

Q93 **Chair:** They said that the money will not reach the venues until 2026. Are you satisfied with the speed of distribution as well?

Chris Bryant: As I said earlier, I hope that some money might be going out before the end of the year, but I do not want to hurry them so fast that the trust ends up losing trust, if you see what I mean, because I think that that would be counterproductive in the long term. Festina lente is my Latin tag, which would be hasten slowly.

Chair: How would you know when was the right time to step in if things were not going at the pace you wanted? What would be the alarm bells?

Chris Bryant: If we had not been able to write to you jointly yesterday to say where we had got to, I would have been very cross and I would be saying, "Right, I am looking at legislation, can we start drafting it?" But we have not got there, and I am very optimistic that this is going to work. I think it has been a good idea.

There is lots of goodwill behind it in the industry. I think that a lot of artists and their management companies will sign up in fairly short order. But the louder you can make that plea, Dame Caroline, the more successful we will be. I need everybody on board; maybe we ought to have another debate. Maybe you should produce another report, which comments on where we have got to and what we need to do next. You could produce a long list of people who are thinking of touring in the next few years that you could write to.

Chair: Anything to help. Let's move on to Liz, please.

Q94 **Liz Jarvis:** On the issue of business rates, last year Government tapered down business rate relief for venues from 75% to 40%. Are you not concerned that with councils now faced with passing on the relief reduction or offering relief for themselves, you have created a postcode lottery for grassroots music venues?

Chris Bryant: Saying that we took it down from 70% to 40% is one way of putting it. Another way of putting it is that there was going to be a complete cliff edge, which was that it was coming to an end, and we were able to say, "No, we are coming in with a new rate" and that that is protected. I hope that we will be able to say something relatively soon, but I do not know precisely when Treasury and MHCLG will do that. We would want to be able to make this more of a permanent arrangement and have a permanent settlement that gives people the security that they need.

It is a fair point about postcode lottery, but I do not think that is the problem. I think the problem is lots of venues are struggling for all sorts of complex reasons. I do not know whether Alastair wants to add to that.

Alastair Jones: No.

Q95 **Liz Jarvis:** Treasury did not change the £110,000 total cap on retail hospitality and leisure relief. This means if your gross business rate was £275,000 or above, your relief has not changed. But if your gross rate was, for example, £24,000, your relief has almost been cut in half. Why was the £110,000 limit not reduced alongside this reduction in percentage relief so that the burden fell less on grassroots music venues?

Chris Bryant: That is one way of explaining what happened. Another version is that everybody was going to be facing 100%, and that is not what they are now facing because we brought in something that we hope will be more permanent in relation to business rates.

The point is well made. I know lots of people who work in hospitality, and not just music venues but other forms of hospitality, who are concerned about where all of this is going. They also know that we need to run strong local public services, which need to be funded, so it is a difficult balancing act.

You will be shocked to hear that I am not going to rewrite the Treasury's rules here at the Committee today, but I think the representations have been made strongly on behalf of the whole of the hospitality sector, and

Treasury understands these. The question is sometimes people want us to spend more money or pull in less tax but then they also want us to improve our public services, and all of those things do not happen at the same time.

Q96 **Liz Jarvis:** The reforms next year have been welcomed but how will they be of any use to businesses that might have been pushed under by the inability to pay higher bills this year?

Chris Bryant: I do not know what you mean precisely by "pushed under". Do you mean a company that has already closed? Obviously what happens in the future is not going to deal with something that has already closed.

Q97 **Liz Jarvis:** In terms of what we are looking at this year we have heard that a lot of grassroots music venues are going to close this year. I suppose what we are saying is the reforms are happening too late.

Chris Bryant: This has been a trajectory over the last few years, obviously. Certainly, if we had had the cliff edge that was threatened in relation to business rates, I think you would have seen considerably more businesses close. I am also the Tourism Minister, and there is a whole series of issues and challenges that face a lot of business, including getting the staff that they need, some of the issues about national insurance contributions, and the issues around the national minimum wage.

As I say, it is a balancing act, and we think we have struck the right balance for the moment. We will always look at whether there is more that we can do.

Q98 **Chair:** I know you only had the time to arrive just before this session, but in the session we started with, we heard from the Music Venue Trust who told us that venues were shutting at two a week in 2023. Last year that began to go down to one a week and Mark Davyd said that the Committee's report played a part in that because it gave the sector some confidence.

However, he said to us that, based upon all the additional cost pressures that the sector is feeling the reduction in business rate relief, the increase in employers' national insurance contributions and even things like planning regulation that is coming down the track, which will undermine the agent of change policy that everyone is very concerned about. A number of venues up and down the country have been fighting legal battles over that. He says that already they are seeing that rate of closure going up to one a week again for 2025, which is really concerning.

Around about end of October or November last year, the Government responded to our report and accepted the idea of the voluntary levy but rejected virtually everything else. Is it time to review that, to come back and look again at things like agent of change laws as part of the planning rules, looking at the fan-led review of live music, looking at the VAT, which is significantly higher than any of our competitor nations, to come up with something that is a lot more competitive for this sector?

Chris Bryant: My reading of how we responded to your report is slightly different. Yes, we disagreed about the fan-led review because I feel I am the fan-led review. I am a fan and also parts of the sector had already done their own fan-led review, which fed into the work that you produced. We wanted to proceed at pace rather than wait for another review.

On the voluntary levy, obviously we have taken action. On the temporary cut to VAT; as you know, I have already made the point about the difficult financial situation we face and every time we cut some amount of money from the taxation that we raise, then there is a question for the expenditure that we have.

On the agent of change, we broadly speaking agree with you. There is an issue around whether it should be on a statutory basis or not. I am conscious that there are areas, when there is a new development, the fact that there was a music venue next door was not made available to the Planning Department and that means of course it does not end up being considered. Then you end up with rows after. That is something that we need to address. Yes, we are definitely thinking about whether that should be put on a statutory footing.

You said that the Arts Council should work to reduce the administrative burden of applying for public funding. I completely agree. That is why we have the Arts Council review. It is one of the things that Dame Margaret Hodge is looking at. Then the other thing was about business rates. We have already taken action for this year, and we are looking at what action we should take for the future.

I think we have been rather more positive about your report than you were thinking that we had been, Dame Caroline.

Alastair Jones: Could I add to as well? In January the Government announced £2.5 million to the supporting grassroots music fund for this year. That is a significant commitment. It supports festivals, venues, promoters, rehearsal and recording studios to develop talent and vary their income streams. It is a significant commitment, and, of course, beyond this financial year we are subject to the spending review, but we are looking very closely at what we can do there.

Q99 **Chair:** But you must be concerned, as we are, about the fact that a number of live music venues are beginning to close. They are beginning to close at a more alarming rate than we saw last year once again. Surely you must see that action needs to be taken. We need to do more.

Chris Bryant: I do not want any small music venues to close, and that is why we are working as fast as we possibly can on the levy. I think in the end that is going to make the single biggest difference. As I say, we are looking at whether or not the agent of change principle, which we think should be part of the equation now, should be put on a statutory basis.

On the broader point about planning, I do not want us to end up in a situation where planning reform makes it more difficult for us to preserve some of the great music venues that we have.

Chair: I suppose our big concern is that what you are dealing with at the moment is a bit like trying to fill the bath with the plug out at the sense that, Alastair, you spoke about £2.5 million contribution but, at the same time, the business rate reduction lost £7 million off the bottom line of music venues. The national insurance contribution will have lost another massive chunk. These little bits of money, albeit very welcome, are going nowhere near to addressing the gaping hole in finances that is being created by some of the government changes. Then the next thing that we are worried about, Tom, is VAT.

Q100 **Tom Rutland:** That is right, you were talking a little bit about taxes earlier. How would you gauge the sector's response to the Government's refusal to model a temporary cut to VAT, let alone implement one?

Chris Bryant: Most of the people I have spoken to have said, "Can we have a cut in VAT?" I have said, "You know that is going to be very difficult for us to achieve." Then that is normally the end of the conversation. I am sure everybody would much prefer us to cut all their taxation, but we end up at the same point. The parallel of filling a bath is the same with the public finances. If there is no money coming into the public finances, there is no money to spend on all the other things that we want to be able to do, whether that is the NHS or local public services or the funding of the arts and community services by local authorities. It is a bit of a difficult argument to make.

Q101 **Tom Rutland:** I guess that is an argument against implementation, but what about modelling it to see what the impact would be?

Alastair Jones: The sector is absolutely able to undertake its own modelling, and I think if you look at tax reforms that have happened across creative industries and other areas, a lot of that work is often sector-led. I think in this instance, if the music sector can put together some modelling we will of course consider it but, as the Minister says, the path of changes to VAT is very high indeed.

Q102 **Tom Rutland:** Would you welcome some modelling from the sector on that?

Chris Bryant: I am very happy to see anything anybody can bring to us, but it has to be very convincing to be able to say we are going to radically reform the VAT structure for one particular industry. My anxiety would be that the theatre industry would make exactly the same argument. You end up with an awful lot of parts of the creative industries who would make the same argument and then the bill is big. As you know, there is not a lot of money around at the moment in the Government coffers.

Q103 **Tom Rutland:** Is it something you would consider if the levy discussion stalled and you did not make the significant progress you would like to see?

Chris Bryant: I would not link the two, no.

Q104 **Tom Rutland:** What discussions have you had with HMRC about the levying of VAT against the LIVE Trust?

Chris Bryant: We have had lots, and Alastair has had a lot of it, so I am going to hand over to Alastair for that. But the single point I make is it is unlikely that we would be able to persuade HMRC to change how VAT operates solely for this levy.

Alastair Jones: The industry has said that it would like the levy to be within the price of a ticket. It makes it compulsory from the consumer's point of view. Therefore, it is eligible for VAT. That is the rule. It is worth noting—say a ticket is £60; £10 of that is VAT. If you have the levy within that, 20p out of the £60 pounds relates to VAT on the levy.

I can certainly understand the sector's frustration, but we absolutely do not believe it should be a blocker on widespread adoption. The progress that we have made to date shows that it can and should work, and we expect the industry to do that.

Q105 **Zöe Franklin:** As Minister, Sir Chris, you have been tasked with coming up with a 10-point plan for music. What would you say a successfully executed plan could deliver in four years? What would you want to see?

Chris Bryant: That is like me telling you what is going to be in my plan, and I am not publishing it here today.

There is stuff I am working on still, so on the Creative Remuneration Working Group, which was set up under the previous Government, I think we are making significant progress. I would like the record labels to move closer to the position of the musicians. I would like to see, for instance, all of the record labels wiping off unrecouped balances in relation to legacy artists who entered into contracts long before streaming came into existence. I would like to see better remuneration for songwriters, whether that is from their publishers or from the record labels when they are coming in to do work on an individual daily basis. I would like to see better remuneration for session musicians. I would like to see us as a nation embrace music more heartily so that every single child in the country had a chance—not just had a chance to be a musician but became a musician in whatever way that was available to them. I would like to see us have a more equitable system for the secondary ticket market. I would like us to have stopped the ticket touting. I would like us to see classical music play as important a part in the public discourse as pop music. Have I got to 10 yet?

Q106 **Zöe Franklin:** You clearly have a long list, and you have been quite public about the fact that the 10-point plan has expanded. I think one could potentially suggest that perhaps if it is an ever-expanding plan, is there a risk that it becomes unfocused?

Chris Bryant: I am pretty focused on it, if I am honest. We have had quite robust conversations in some of the meetings I have been in about trying to make sure that we deliver on all of this. Some of this is not entirely within our gift, so the issues around creative education and music in schools is of course a DfE responsibility, not a DCMS one. The restructuring of or the review of the Arts Council I hope will change the way that music is funded as well. No, we are pretty focused.

The slight confusing bit—I think Alastair told me not to say this bit yesterday—is that we are on the verge of publishing our creative industries taskforce plan as part of the industrial strategy. I am not quite sure what date that is going to be published, and that is in discussion with the Department for Business and Trade. But obviously music is a key part of that, so some of the things that we are talking about will be part of that, But some of them will not. We will want to consider what we publish when.

But honestly, we are very focused on quite a tight number of things that might have separate elements to them.

Alastair Jones: I have no problem with saying any of that. That is absolutely fine.

Just in terms of your four-year timetable, the industrial strategy that the Minister mentions is 10 years to 2035. That is a particular timeframe that we are thinking about for a lot of these issues, with the importance of urgent progress on many of them.

Q107 **Zöe Franklin:** My final question, we heard in the first panel from, I think it was the Featured Artists Coalition, that it has evidence to back up the fact that touring in Europe is crucial, not just to established artists but particularly to emerging artists. We have the summit next week. How far apart are the UK and EU in terms of reaching a deal?

Chris Bryant: I would say two things. First, I am doing my bit as part of trying to make sure that we get a good outcome in relation to EU touring. I am not sure quite when that will come and what part of the process it will be, but I was really pleased that the EU Cultures Ministers invited me to their informal meeting in Warsaw, and I will be going to the next one in Denmark later on this year. That is the first time that UK Culture Ministers have been going to these meetings since Brexit. I think that that is important, and everybody there certainly understands how important we think this issue is.

I have also spoken to the EU Commissioner for Youth and Culture, the Maltese Commissioner Micallef, and I am working as closely as I possibly can with my counterparts in other countries to get to a good place.

Apart from anything else, I mean, I have had several EU Culture Ministers say to me, "You know what, we have festivals who really want British bands to perform because they are some of the people who sell the tickets, and we can't because they are saying to us, 'We can only do one country. We cannot do touring from one country to another'".

Secondly, when we secured the deal last week with the United States of America, I think one of the reasons that we were able to do that was that Ministers did not go out all over the place and start saying what should or should not happen, which would then queer the pitch for the negotiators.

I hate to disappoint today, but I do not want to queer the pitch for our team who are in discussions.

Q108 **Chair:** But being able to tour is an important part of growing the live music sector in the UK and the growth and success of the bands that we create. The Featured Artists Coalition told us a few moments ago that last year was the first year where there has not been a UK artist in the top of the single or album or streaming sales, which is really worrying. It explained that being able to tour is a key part of that. Without wishing to pre-empt what you are going to have in your 10-year plan, have you thought about a UK Artist Touring Fund that would enable artists to be able to cover the costs of being able to look overseas?

Chris Bryant: I do not think the big issue is money. I think the big issue is bureaucracy and legal constraints. No, is the direct answer to your question, but we will think about it. There is some money that is provided through the Arts Council to artists who are touring, but I think the specific set of issues are more to do with frankly what I thought was a terrible EU-UK deal that was struck by the previous Government.

Chair: I agree with that, but one of the things that was suggested by a previous panel that might help was a UK Artist Touring Fund, so I am just putting it out there on your radar.

Q109 **Mr James Frith:** All power to you in in negotiating with the European Union in the coming weeks and months. I hope very much that we learn of EU touring being a factor in any success you have. Reports recently of your Department being disbanded—

Chris Bryant: It is not my Department.

Mr James Frith: It is the Department you work in, in the same way that—

Chris Bryant: It is one of two Departments that I work in.

Mr James Frith: Quite. You are greedy.

Chris Bryant: It might be disbanded, you never know.

Mr James Frith: Hopefully not.

Chris Bryant: Did you say "hopefully"?

Mr James Frith: I said, "hopefully not", as the recording will confirm.

Chris Bryant: Quite aggressive questioning.

Q110 **Mr James Frith:** I think not. Would you care to comment on the reports of the DCMS being disbanded? Could you see any merit in such a seemingly reckless act?

Chris Bryant: My general principle about things that I read in newspapers is that some of them might be true and some of them might not be true, and my working assumption is that this is in the latter category. But, if I am honest, I have not investigated it very much, and it certainly is not for me to decide. This is one of those moments where the Minister has to say, "That is above my pay grade", but I think there is a value in having a Culture Department—

Mr James Frith: You have obviously been in the Department—

Chris Bryant: With a Minister for the Arts in it.

Q111 **Mr James Frith:** That is quite a low bar to affirm from. But in terms of your assessment of the Department, can you see within the year of your tenure now, is there quite a lot of waste or duplication? We have seen the Health Department taking quite strident action on NHS England. Do you see there being equivalences in your Department that you would perhaps discount?

Chris Bryant: We are a very small Department. I think when you do the total budget and you do a pie chart, we normally come in the "other" category. There is not much fat in DCMS. I think it is a great Department, and people work extremely hard to be able to deliver on very tiny budgets extraordinary differences to people's lives.

Obviously, I have responsibility for particular sectors: museums, galleries, the arts, the creative industries, and tourism. But my experience is that the civil servants—do not listen to this, Alastair—are quite exceptional. I think we will produce an effective creative industries plan as part of the industrial strategy. I am proud of what I have seen, where we have got to on that. We have managed to solve quite a lot of problems that were on our desk at the beginning of last July. I think we are going to do some good things.

Q112 **Mr James Frith:** In your 10-point plan for music you did not mention anything on copyright. Would you expect that to be in your 10-point plan, the protection of copyright in the age of AI?

Chris Bryant: Number one, if the data Bill remains as the data Bill entered the House of Lords, without any reference to copyright, British copyright law will not have changed at all and will be as robust as it ever was, and the protections for copyright holders will be as robust as they ever were.

You have heard me many times, both in private and in public, on this subject. I want us to be in a situation where the creative industries can be remunerated for their work. It is not for us to give away the labour of other people to third parties for free.

I also think that the best kind of AI is going to be AI that is built on premium content, and you cannot get premium content without paying for premium content.

Mr James Frith: What would you say to the Lords about the result last night of the Government's defeat there on that particular issue?

Chris Bryant: That might be a debate for tomorrow afternoon, I am afraid.

Chair: Bringing out our final rock star for the evening—

Chris Bryant: Sorry, can I just go back on one other point? Sorry, Dame Caroline, there is one other point I should perhaps make, which is that—again I have said this in the Chamber, but I will say this again here—I do not think for an instant that the creative industries are opposed to technological innovation or innovation of any kind. Historically, they have been the most innovative of the lot. I think it was Fra Angelico who first came up with how you could put lapis lazuli in a painting and create that particular blue. That level of innovation still exists today.

I do not know many modern artists of whatever kind of discipline who do not use some form of technical assistance innovation today, including artificial intelligence. That is why I am so desperate to get to a place where there is a win-win for both the creative industries and for the AI sector in this country.

It is worth bearing in mind of course that 40% roughly of the creative industries are tech and we value them just as much as we do actors, artists and musicians.

Q113 **Chair:** Do you think the Government fully understand and recognise the enormous economic firepower of our creative industries and the value that they have to our economy above and beyond how they make people feel?

Chris Bryant: Yes, although how they make people feel is part of the firepower, if you like. But yes, of course. The number of £124 billion of GVA is repeated by everybody, and quite rightly so, and there will probably be new numbers as well soon, which will probably be higher because this is a sector that is growing faster than any other.

I have always said that there are some specific challenges in the creative industries around how you make sure that kids from any kind of background can get into the creative industries and see a future in screen, for instance, rather than just people whose parents were in screen as well. There are other challenges about how you make sure that that flourishes across the whole of the United Kingdom. I am not the only person who thinks this way in Government. This is a whole Government position, not just my private views.

Q114 **Dr Rupa Huq:** In the last year or so, we have seen the demise of the night czars of two major cities—Amy Lamé in London and Sacha Lord in Manchester—and those posts were not replaced. Does that give the suggestion that this stuff is being a bit sidelined, shunted aside, or downgraded?

Chris Bryant: Those are obviously decisions for mayors rather than for us. I know both of them obviously and I think both of them had done an extraordinary job, although some of the media criticised them quite aggressively. The night-time economy is an important part of what people come to the UK for.

One of the great delights as a Welsh MP is if you want to go to the rugby, for instance, in Cardiff, and you go to the stadium, afterwards everybody spills that into the centre of town, and everything is right there on the doorstep. There is a knock-on from great sporting events or, for that matter, great music events. P!nk was the last act I saw there. Everybody spills out into the whole of the city, and you want that thriving night-time economy to continue.

Alastair Jones: Two things; first, the enthusiasm from the various combined authorities for the cultural and creative industries is extremely high. We announced in January we are going to devolve funding to six mayoral authorities, including Greater Manchester. I certainly would not recognise any loss of enthusiasm.

Secondly, over recent weeks we have been working with the hospitality and nightlife creative industries, including Jon Collins and Michael Kill of the Night Time Industries Association on work looking at licensing. We want to make the licensing regime work well and streamline processes effectively. That is obviously a big deal for local authorities as well.

I am sure there are different ways to skin this particular cat, but there is a huge amount of shared interest at all levels of government.

Q115 **Dr Rupa Huq:** We touched on the very un-rock and roll subject of planning law. I am pleased to see that on the idea of agent of change, you are not averse to that in the world of build, build, build, and this very gung-ho, "We are builders, not blockers." I just wondered, could there be an argument for enshrining provision of music venues in local plans?

Chris Bryant: There could. In a sense, that is what the agent of change principle is seeking to do. As I said earlier, that is why we are considering the question of whether or not we should put that into statute. Incidentally, I am a great fan of Amy Lamé. I remember her when she used to run Duckie at the Royal Vauxhall Tavern.

Dr Rupa Huq: She still does Radio 6, if you wake up early.

Chris Bryant: I was one of the people who signed up to getting the Royal Vauxhall Tavern listed because I thought that it was an important part of our cultural heritage.

Q116 **Dr Rupa Huq:** Very last thing—you know about my Bill already—when will the results of the two consultations see the light of day? Because we have a Friday when it is coming back, which is 4 July, but will that be after your results?

Chris Bryant: I cannot give you a precise date, but I think it is somewhere between soon and imminently.

Dr Rupa Huq: Okay, so as Diana Ross said, I am still waiting.

Chris Bryant: After all these years. Dame Caroline, as Led Zeppelin sang, when the levee breaks, mama, you've got to move.

Chair: I shall leave it to you for the final word. Thank you very much, Minister and Alastair, for joining us today, and to all our other witnesses. It has been a long session, and I am grateful for everyone's contributions today.