

Culture, Media and Sport Committee

Oral evidence: Creative Industries Sector Plan, HC 1132

Tuesday 8 July 2025

Ordered by the House of Commons to be published on 8 July 2025.

[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; Jo Platt; Tom Rutland; Paul Waugh.

Questions 1-88

Witnesses

[I](#): Caroline Norbury OBE, Chief Executive, Creative UK; Sir Peter Bazalgette, Co-Chair, Creative Industries Sector Plan Taskforce; Baroness Shriti Vadera, Co-Chair, Creative Industries Sector Plan Taskforce.

[II](#): Sir Chris Bryant, Minister for Creative Industries, Arts and Tourism; Alastair Jones, Deputy Director, Creative Industries, Department for Culture, Media and Sport.

Examination of witnesses

Witnesses: Caroline Norbury, Sir Peter Bazalgette and Baroness Vadera.

Q1 Chair: Welcome to this meeting of the Culture, Media and Sport Committee. The Department for Culture, Media and Sport published its creative industries sector plan on 23 June as part of the Government's industrial strategy. For perspective, the creative industries deliver more economic value than life sciences, automotive and aerospace combined, not to mention the intrinsic value of telling British stories and supporting UK soft power.

We have arranged this session to dig into the sector plan to inform our scrutiny of the Department and the wider work supporting the creative industries. We did a short survey asking for feedback from the sector itself. Despite the quick turnaround, we heard back from dozens of individuals and organisations from a wide range of subsectors. We put on the record our thanks to everybody who took time to contribute to the survey.

For our first panel, we have Sir Peter Bazalgette and Baroness Shriti Vadera, the co-chairs of the Creative Industries Council and the sector plan taskforce, and Caroline Norbury OBE, the CEO of Creative UK and a member of the sector plan taskforce. Welcome to you all.

I remind Members to declare any interests at the point that they ask their question. I will kick off. Sir Peter, what was your main ambition when you were starting this off, thinking of the creative industries as a whole? In the process of developing this plan, what was in your mind?

Sir Peter Bazalgette: Before the election last year, I was voluble on the question of increasing investment in the creative sector. We believe—and there is plenty of evidence that Caroline has unearthed over the years—that levels of investment for the creative sector lag behind other sectors like life sciences. We wanted to increase investment, not just access to finance for SMEs—we have a high level of SMEs in the sector—but investment in research and development-led innovation, which is going on in all our subsectors and has a huge ability to deliver economic value and cultural and other public value. That was my overriding objective.

You will see in the sector plan for growth that we have made a major step forward, particularly with the British Business Bank and UKRI—which, as you know, invests over £9 billion a year in research—stepping up to the table.

I will add one more element. This is the first official Government document that recognises the phenomenon called createch, the beneficial combination of creative design and technology. That is going on in various university spin-outs, including the Royal College of Art, where I am the chair of council. There is huge potential in that. I hope that createch is something that we can take forward with specific policies, and



HOUSE OF COMMONS

I would welcome this Committee pursuing the phenomenon of createch in future.

Q2 **Chair:** Caroline, you were looking at this plan on behalf of Creative UK members. What was your No. 1 priority for it?

Caroline Norbury: Exactly what Baz has said. The massive achievement is the fact that the sector is recognised within the industrial strategy as one of the priority economic sectors and the fact that we now have a commitment from the British Business Bank that it will look at the creative industries more holistically. It has not put numbers down yet, but it has made a commitment in direction of travel on how it will flex its models to look at how we better support this sector. That was a real concern.

The other concern was that 93% of creative industries are tiny little companies. The sector plan recognises that this is an ecosystem that is very atomised and very fragmented and requires a whole-system approach rather than picking a few winners. That has been very much welcomed by industry, and I was pleased to see that. The other thing that we were looking for, which again has been acknowledged here, is the importance of the freelance workforce. To have that recognised in a strategy document—as Baz says, the very first proper plan—is very welcome.

Q3 **Chair:** Shriti, when you kicked this off, what direction did you get from the Government? What were your operating instructions for this work?

Baroness Vadera: I do not believe that we had any operating instructions. I particularly appreciated the fact that inside DCMS, Baz, the taskforce and I were given free range to ask, challenge and demand. We were not holding the pen, but we had the challenge function. The only constraint that became apparent during the course of the process was that the spending review had not come out, so anything that had a price tag was then put in square brackets, and we would not know the outcome for some time.

Q4 **Chair:** Was there anything that you could not do or recommend? Did you have to keep that price tag at the back of your mind, or you were able to recommend it but you did not know whether or not it would be adopted?

Baroness Vadera: We did recommend certain things. Some of them are there in less concrete form because the Department—for example the Department for Education or the Department for Science, Innovation and Technology—would not have had its spending settlement and UKRI did not have its spending settlement, so they have not been given a complete specific number, but they will come out in the autumn. BBB has not provided its complete target number; I do not know whether it would ever make it public. It did not, because it did not have its own settlement at the time. As a result, a lot of things are in here but perhaps exactly how and in what form and amount will come out later.



Q5 **Chair:** Which areas in particular would you like to have been more detailed or developed a bit further?

Baroness Vadera: I will pick out skills and arts education because, quite rightly, the Department for Education did not understand or know at the time what its allocation of spending would be. One of the important things in this whole sector is recognition. By the way, it is an amazing achievement to get creative industries into one of the eight priority sectors. It is not a very well understood sector, because of some of the things that Caroline said, like the ecosystem where 93% of them employ fewer than 10 people. It is freelancers. It is a mixed economy of publicly funded parts of the cultural sector, which is a significant underpinning for creative industries. It is intangible, which people always find hard to understand in any case. It is very hard to understand. It has such a large range of sub-segments, so it is extremely hard to understand the sector. As a result, it is also hard to provide certain types of support to it. Skills are one of the most significant problems. In two thirds of the hard-to-fill vacancies, the reason is a skills shortage, whereas for the rest of the economy it is 40%. It needs a more tailored approach to skills because of the particular characteristics of what is, in relative terms, a new sector. Some other sectors are centuries old, as we know.

We wanted more flexibility around the growth and skills levy. There is some recognition of that. It is eight months, but it needs to have a more radical approach. We wanted more modular courses and so on, and training for freelancers. There is some recognition of some of those requirements for boot camps and so on, but we do not have enough specificity on it.

The second area is a commitment that I hope that this Committee will always remember and hold the Government to account on, which is the Labour party manifesto on arts education. We are waiting for the curriculum and the results from that. There is, again, a recognition and good signposting in the document, but we do not have the results of that review. Right now, the straightforward fact of the matter is that you can be rated very highly as a school and not provide any arts subjects at all. The numbers of specialist art teachers have gone down by 27% in the past dozen years or so, whereas among the rest of the secondary schoolteachers they have gone down as well, but by 7%, not 27%. There is a lot that needs to be done, and we are waiting for quite a lot on the skills and education side. I call that out as the one area in which I hope we will see more concrete things coming through in the next period.

Q6 **Mr Alaba:** My question is to Peter and Shriti, but Peter first: how much of the plan was dictated by what is going on in the overarching industrial strategy?

Sir Peter Bazalgette: There is a yes and a no to that. The no is that, to echo what Shriti said, we are the experts on the sector and we had a very clear agenda on a number of things, like skills and investment. We were listened to and many of those things went into the plan. The yes is that



HOUSE OF COMMONS

Government is a bit like the United Nations. When you have a sector plan for growth that is covering skills, exports and all the rest of it, it is an extended negotiation with at least five other Departments, and the whole thing was being chaired by the Department for Business and Trade. That negotiation was lengthy and complicated, with lots of cut and thrust. I put on the record our thanks to our colleagues, the civil servants in DCMS, who conducted a massive sort of United Nations negotiation to get this plan off the ground. They may not have got everything that they wanted out of the other Departments, but they got quite a lot of it.

Baroness Vadera: I sat on the Industrial Strategy Advisory Council, in addition to my role here in the taskforce. I think it was by accident, but I was the only member from one of the eight sectors who was on the Industrial Strategy Advisory Council. It was helpful for us to be able to see both sides of it. There was an incredibly helpful element of us being prioritised—we were one of the eight—and being able to use that to get into the other Departments and be taken seriously, perhaps in a way that might not historically have happened.

On the other hand, in the early part of the process it was a little more disconnected from the eight sectors. I cannot speak completely for the other seven, but in the industrial strategy we had an innovation workstream and a skills workstream. There was a bit of disconnect and it was some effort to pull it together. There were a lot of templates to edit documents and bring them into the right format. Some of it was a cumbersome process, but it was incredibly helpful, because I do not think that we would have got where we have got without the industrial strategy overall being a priority for the whole Government.

Q7 **Mr Alaba:** My next question is to you all, but I will start with Caroline: how much were you able to contribute to the overarching strategy? You mentioned the ecosystem and the freelancers. Could you build on that?

Caroline Norbury: “Very fully” is the answer. I made a point of meeting not just with officials in DCMS, but with DBT, HMT and so on. I feel that we were able to put forward our own recommendations for direction of travel. Very early on, when the industrial strategy was first being developed as a thing, there was a real push to make sure that the strategy just focused on a small number of areas that were understood as big commercial players, but we made the case for the fact that it is a very complex ecosystem, as Shriti mentioned.

Culture is an important element that underpins so much of the commercial sustainability and the innovation within the sector. It was not just the work that Creative UK did, but lots of the other contributors around the table with the taskforce, the Creative Industries Council and all the different trade bodies. We were largely all singing from the same hymn sheet to make the plan recognise the breadth and depth that we see in the plan.



HOUSE OF COMMONS

As Shriti has outlined, the next challenge is how you turn those things into concrete plans. However, if you do not start with the right framework, from something that is a proper reflection of what the footprint looks like, it would be much harder to come up with useful plans. I think that we have the beginnings of a very strong framework and the right direction of travel.

Q8 Mr Alaba: Shriti, I will come to you next. I know that you expanded on the spending review and the skills and education. Is there anything else?

Baroness Vadera: First, your question is asking us to mark our own homework about how effective we are, so it is a bit awkward. The other area that I would like to highlight—if Members are interested, we can talk about it a bit more—is AI copyright. That was a big subject that was completely cross-Whitehall, with multiple Departments involved. For me, that was probably one of the areas on which we had the largest number of vigorous meetings across the whole of Whitehall. I spent a lot of time with DSIT and No. 10 and others, so that was a big area.

Mr Alaba: Peter?

Sir Peter Bazalgette: I have nothing to add.

Q9 Mr Frith: Good morning. I would like to get into detail, following on from the AI copyright comments. You will appreciate that the debate that happened in Parliament on the data Bill spooked rights holders who are interested in maintaining copyright, what that does for managing their risk and their creative freedoms. It is fair to say that there was a bit of side-eye given to the term “creative content exchange” when it was announced as an idea but without much consultation or detail. Could we learn a bit more detail from you as to what you envisage that to be? What is the problem that that exchange is trying to solve?

Baroness Vadera: Could you just indulge me if I am slightly longer in my answer, because it is a complex area that has not been really understood?

To start with the concept of AI copyright and so on, there is a welcome statement in the document that talks about the protection of copyright and world-class enforcement. That is good. However, in the following paragraph it says that all options are being considered, so there is some natural ambiguity. The idea of the creative exchange is based on the fact that there should be no ambiguity, because by definition you cannot sell unlicensed data if it is available free to be scraped. That needs to be cleared up in what I hope will be legislation coming through in due course.

I wanted to give that as a starting point, because it needs to be clear. I hope that people, certainly in this Committee, as far as I have understood, are firm believers in the protection of creative content and copyright. The idea was to ensure that there is recognition of the value of creative content, which sometimes gets ignored. We are only in this



HOUSE OF COMMONS

debate because people have not fully understood the actual value of creative industries and content that is created by them.

The idea—it is not a risk-free idea and is therefore still conceptual—is that there should be a technical platform, and some of them already exist, that can house safely and protect a lot of multimedia different types of content, with the content owner and the copyright owner having complete control of what happens to it, that it is housed safely in a platform and there is a front-end facilitation mechanism that allows that value to be discovered in a marketplace, like an Amazon marketplace or, if it becomes super successful, like a London stock exchange, that you could, in a single place, go and buy or sell licences, royalties and so on.

There is a value in the aggregation of sometimes small amounts of creative content, because it is quite hard to negotiate with a big tech company, for example, but if you are in an aggregation where you could negotiate better and there is better information about benchmarks, there is a front-end facilitation and I hope an enforcement element as well. I hope that cloud technology and so on will help with that. You create a marketplace for creative content to have value that is known and recognised. It gives them alternative sources of revenue, sometimes. Some that are very large and very successful—film companies, music companies and publishing houses—know how to do this, and some small creators do not know how to do this, so it would be helpful for them.

An example might be some of the museums or the Royal Shakespeare Company, which has thousands of costumes that might be digitised and put on it. There is a lot of content that could go into it. It would be nice to be able to discover potential buyers, who do not just have to be AI companies. They could be other creative companies or other people altogether, and you would have the complete freedom to say yes or no, at a price, or say that you do not want it to be sold at all. It gives an AI company, first, legal certainty if that is clear in the law and, secondly, ease of use. You can come in and you can get that without having to have crawlers all over it.

Q10 Mr Frith: Does this take us towards a Government statutory licensing model?

Baroness Vadera: No, I do not think that that was the concept. This is not intended to be a Government body. It is intended to be eventually some form of private company, but it needs some support from Government for the public good that the Government want out of it. It is possible that some of the libraries might want to license or sell some of their data, but they might want it free for use to PhD students, for example. That is a public good. If you give it entirely to the private sector, you may not be able to get that. We need to find a model that works commercially, but I would not want it to be something that is run by the Government.

Q11 Mr Frith: How would we avoid a scenario in which content creators who



did not opt for that exchange are penalised for not doing so?

Baroness Vadera: It is a voluntary thing. In one sense you could say that a music company is already an exchange, because musicians go to it and they have a distribution mechanism, so it is not at all necessary, although it is fair to say that the more people join it, the more successful it will be, because it has the natural network effect of a marketplace, which is how it works. However, it is entirely a choice of the owner of the content whether to put it on. Even if they put it on, they do not need to do anything else with it other than have it in a protected platform. If somebody makes an offer and they do not want it, they can say no.

Q12 **Mr Frith:** Is it not automatically protected because of copyright?

Baroness Vadera: You could, but we know that there are crawlers on the net, and it is very hard to enforce and judge and understand, whereas if you have somebody with aggregation value that can support you in the enforcement, that might be useful. If it is not useful, one should not do it.

Q13 **Mr Frith:** I like the aggregation argument, particularly for smaller content creators for licensing. There would be a risk, would there not, of being in competition with the licensed bodies and trade bodies that do that job for subsectors at the moment?

Baroness Vadera: They do, but there is nothing to prevent the actual licensed body from being a member, as opposed to each of their individual members. If you are a large music company—I will not name them—you do not have to join. You might find it useful because you can get benchmarking on it and so on. It is not intended to be a monopoly, and it will not have any rights of a monopoly.

I should be clear about one thing. This is not a risk-free proposition. This is a concept, and the Government should be entrepreneurial enough to try it. There are lots of people internationally who are interested and they might steal a march on us. The technology has to be shown and proven and the protection of that technology particularly is important. The marketplace has to be shown and proven. There is risk here, but it is an entrepreneurial idea that would enable people to see very clearly and realise commercially the value of their content.

Sir Peter Bazalgette: James, may I add a couple of points? While we have a wider debate about regulation and regulatory environment and whether there is one solution that can sort this, the more practical solutions that we come up with that are voluntary and can help solve it, the better. This is one, and there should be several others.

The second point is that the internet and its antisocial element is something that this Committee frequently considers. Much of what goes on on the internet is hollowing out civil society. AI already has the potential to do the same. The more we can get pro-social content into AI, the more we can facilitate pro-social content going into AI, publicly



HOUSE OF COMMONS

owned content in our national museums, trust in reliable news and information. The more we can facilitate that public pro-social information to go into AI, the more we help AI and its machine learning to be a force for good in society. I think that that philosophical point is more practical than it seems.

Baroness Vadera: I could not agree with you more that people should want good content to be used, just paid for.

Q14 **Mr Frith:** You started by talking about the value of creative content not being appreciated. I would argue the opposite about the tech scraping: it knows all too well the value of the content it is scraping, which is why it is evolving via litigation, via challenge of fair use in the States and in unsettled territory in Europe. Do you have a comment on that?

Baroness Vadera: I was not referring to AI not recognising the value, notwithstanding possibly that it does not wish to pay for it. I was suggesting that when we consider policy and that policymakers are looking at this and believe in the importance of attracting AI, that they also need to balance it with the value of content. That is what I mean by not recognising fully.

Q15 **Mr Frith:** On the difference in interpretation, because it is an interesting area, do you see that there is a challenge, particularly as representatives of the creative industries, in the difference between the perspectives on policymaking of consumers of creativity and those of creators of content? Is there not a risk that if we only consume content but have never created, we just assume that it will always exist? Is the argument not about how we protect creative content being made for future good from being put into the AI models? Is there a tension in policymaking between the interpretation of creativity simply as a consumer, as opposed to that of the creators themselves?

Baroness Vadera: Perhaps I think too much like a market and economics person, because I do not see it being available unless it is paid for, and therefore it will not be available for future consumers unless it is paid for.

One of the arguments that I feel like I keep having in Government is that there is a sense that AI is new industry and that everything else creative is old industry. I disagree with that so fundamentally and structurally. AI recognises it is not, exactly as you say, but the reality is that the fastest-growing sector in the global economy is services, of which the fastest-growing is consumption, of which the fastest-growing is the consumption of content. Content is the fastest-growing consumption sector. We happen to have a comparative advantage, partly for policy intervention reasons and partly for historical reasons. We have this extraordinary USP, and not to recognise it is a problem, the way I see it. We do not currently, in the UK, have any significant IP in large learning models; it is all either in the US or in China. What we do have is their raw material. We need to understand how we will use it and value it.



HOUSE OF COMMONS

I do not want to be a luddite, by the way. One of the things that I pushed the hardest on in the sector plan is AI adoption. We are fast adopters of technology in the sector and I think that we should have a serious plan on AI adoption. I also think that the UK should have an AI company, but we do not have domestic IP where the GVA on AI comes to the UK.

Chair: Thank you very much. Can I encourage everybody to give us snappy answers? We have a lot to get through and I am now feeling the pressure.

Q16 **Dr Huq:** Hi, everyone. My questions are for Sir Peter and for Baroness Vadera. Considering that this is a sector with an unusually large number of freelancers—I heard yesterday that for one minute of “Rivals” there are 200 people in all sorts of capacities, most of them self-employed—did that present any challenges to you in developing a plan when they are all dispersed and non-organised?

Baroness Vadera: Yes, it did, because it is very hard to reach some of those freelancers. I chair the Royal Shakespeare Company and we work with about 700 of them. It is hard to reach and every intervention needs to be thought through for how we reach this community. We had Philippa Childs from Bectu on the taskforce. She was fabulous as a voice for freelancers and pushed hard to get the freelance champion. A lot of the measures were seen through the lens of who will deliver. Caroline did some amazing work on it.

Caroline Norbury: We produced a report on the freelance economy, which we submitted. We have been engaging with a group of freelance champions for many years, particularly on the back of covid, when we did a lot of work to raise the issue of how freelancers fell between the cracks of provision that was brought out to support covid. The additional challenge is that it is a group that is hard to reach and hard to coalesce, but we are a sector with lots and lots of different subsectors. What might work in music, for example, does not necessarily work in theatre, film or design. You have to amass all those sub-groups. As Shriti has mentioned, it was something that we talked about extensively during the meetings.

Baroness Vadera: I hope that the freelance champion will also join the Creative Industries Council in due course.

Q17 **Dr Huq:** It is exciting to have this idea of the freelance champion. The submissions that we had from people like freelancers, and which I have had from the APPG on gaps in support, mentioned covid and the fact that they are all under two years, so they do not have any rights. During the covid years, we heard some heartbreaking things about people sleeping in their cars. There were, I think, 19 suicides at the end of that. Do you think you met those challenges adequately for all these people, who felt very beleaguered?

Sir Peter Bazalgette: To be absolutely honest, it is work in progress. It is a good start to have a freelance champion. It was a very serious issue



HOUSE OF COMMONS

that we considered. There is a huge amount of work to be done. I will give you an example of something that I do not believe we have the answer to yet, which is how you make adequate provision for the training of freelancers. The industry depends upon them all across the subsectors. Caroline has done a lot of research on this. Certainly you need larger companies and SMEs to step up to the plate to think through how you help train the freelancers that you depend on.

Since we are at the forefront of the digital revolution—all our sectors are—it is axiomatic that we will have skill shortages, because everything is changing so fast. That includes training up freelancers. It happens casually, but we should have more formal structures, and that is a work in progress. It is something very important that we need to look at.

Caroline Norbury: Can I add to that? There is an opportunity with this role. Their job should be to work outside the existing structures. We have a problem generally within our different Government structures that we do not have the right product suite for freelancers. Basically, the problem in covid was not that the Treasury did not want to support them; it was that it did not have a button to press to get money to them. I hope with the freelance champion we have somebody whose job it is to go in and talk to the Department for Work and Pensions about how you create a market in which you can get insurance companies to create better pension products that work for freelancers. How can we have conversations about mortgages that are better suited to the needs of freelancers?

This is not just for the creative industries, but a mode of work that is becoming more and more common. Basically, as a society and a community, we need to have the products—I cannot think of a better word for it—that recognise that job style, rather than what we have at the moment, which is a wholesale set of traditional ways in which people are incentivised to save or to invest in their career. They do not work for people who work outside the 9-to-5 norm.

Baroness Vadera: One of the ideas behind the skills passport was that there is a portability about it, because that is how it works.

Q18 **Dr Huq:** Baroness Vadera, you have been in the Treasury before. Could there be an argument for having some sort of Minister across sectors—because, as you said, it is not just a creative thing—to deal with freelancers and self-employed?

Baroness Vadera: I suggest that that is above my pay grade, but you could take it up with the Prime Minister.

Dr Huq: It would give them visibility, that is for sure. A lot of these things are about PAYE and tax codes and that kind of thing.

Baroness Vadera: It would have to be conceptual.

Dr Huq: Yes, but they could sit in the Treasury, maybe. I don't know—



that is just blue-sky thinking.

- Q19 **Natasha Irons:** Thanks for coming. I will be very brief; I know that we are trying to get on to the next points. You mentioned skills, the curriculum review and pressures from Treasury. These levers do not necessarily sit within DCMS. What are the challenges of trying to work across spaces where you do not control the levers within your remit?

Baroness Vadera: It is fair to say, as Baz said at the start, that DCMS was great. The officials and the Ministers are fabulous and very open, but the real struggles were outside, and it was a mixed bag. We had a very good discussion with HMRC, and guidelines will be issued to clarify how creative industries are eligible for certain types of technology, R&D for example, which they have not historically been. One day, eventually, I would like us to be able to go further, but it is a good start. We had a lot of discussions on AI and copyright with DSIT, and we had discussions with DFE. The BBB was great and UKRI was absolutely fabulous.

The problem is, of course, that everybody has their own constraints around spending. There was constantly this chicken-and-egg situation with the spending element. I understand the Treasury wanting to understand what is available for it to fund. However, all the sectors then have to work out what they will do, without knowing how much funding might eventually be available, so that chicken and egg was inevitable. That made the process quite hard. I think that siloisation in Government is a very long-standing, decades and decades and decades-long issue, and is alive and kicking.

Sir Peter Bazalgette: You mentioned DFE. It probably had eight different priority sectors, each saying, "We are very special and we have our own requirements," so we can see the challenge on its side as well. There are some things that have a genuine opportunity for us, particularly with our high level of freelancers and SMEs, with flexi-apprenticeships. If these are deployed effectively via local skills improvement plans, there is a real opportunity. There are plenty of things that we have opportunities on, but we are never satisfied. We will always ask for more. If it is particularly tricky, we will ask for more.

- Q20 **Tom Rutland:** I refer to my entry on the register of interests. Sir Peter, which intervention in the plan do you think will be most critical in achieving what you set out to achieve?

Sir Peter Bazalgette: I will not repeat what I said at the beginning about investment; I will just put on record that that is my No. 1 thing and it was for a very long time. However, I would like to add a few words about place, if I may. Members of the Committee may know that I originally wrote a plan for investment in creative clusters in 2017 for Greg Clark when he was Business Minister. That was instituted via Innovate UK and UKRI in 2018.



The first investment in clusters put £56 million of public money into nine clusters in different subsectors—university anchor tenants, connecting applied research to more than 2,500 SMEs with match-funding of other sources of more than £270 million. It was a huge success, but a huge struggle. Clusters 2 was finally approved via the then Chancellor of the Exchequer about 18 months ago, and now this plan says clusters 3.

You will be aware of the Creative Industries Policy and Evidence Centre and the work that it has done on the creative industries. It has 55 organic clusters in subsectors across the country. It is still the case that 67% of the creative industries are placed in London and the south-east, but the opportunity to grow the economy outside London and the south-east—while it continues to grow in London and the south-east—is huge. I point to some of the measures: the £380 million put together for regional growth, creative clusters 3, as I have said, the CoSTAR programme, which is particularly investing in immersive and XR tech in Edinburgh, Dundee, West Yorkshire. DCMS is adding Creative Futures money to that.

There is the creative places growth fund devolving. I hope that that word “devolve” is real, by the way. We are not very good at devolving in this country, but we have to devolve £150 million to six high-potential MSAs. There are some beneficial alliances pointed up in the report. There is one, Creative North, which Tracy Brabin, whom I work with very closely in West Yorkshire, is driving forward. She is quite a visionary, in my opinion. There is the potential of a corridor between Bristol and Cardiff, and there are other things going on.

If I put all that together, I point to us having the potential as a sector to do a lot for the whole economy, and the economy outside London and south-east, and we need to get on with it.

Q21 Tom Rutland: It sounds as if investment in place in regions is most critical in your mind. Is that also the most difficult? Which is the most difficult? Is it that; is it the curriculum review, which is somewhat out of DCMS’s hands; is it maintaining our public service media in a rapidly changing media landscape, particularly the BBC; or is it something else entirely? Which of the measures do you think is most difficult?

Sir Peter Bazalgette: I will not repeat what we have said about skills and education or about freelancers, but they are big challenges. However, you give me a cue on public service broadcasting. I have worked in media for almost 50 years—I am sorry to admit that here this morning—so I have quite strong views about the value of public service broadcasting and the challenges that it faces.

We were instrumental in making sure that there was part of the sector plan, relating to the screen subsector, where public service broadcasting was covered. It has partly to do with charter renewal, but it also has partly to do with other public service broadcasters. All of them are a challenge. My personal view is that in the streaming age in 10 years’ time, European countries, including Britain, will not have more than two



HOUSE OF COMMONS

public service broadcasters—possibly only one, but not more than two. We have been very, very slow to develop a strategy for the health of public service broadcasting. We should have been asking five years ago how we need to change how advertising is regulated, because nobody would even suggest, for instance, a merger of two commercial broadcasters if they knew that they had to go through 18 months of regulatory hell.

We have been very slow. I am very encouraged that the bit of this report has gone in on PSB. I am also reassured that DCMS will bring forward policies for the whole of the health of PSB and not just the importance of the BBC, which is important as the anchor tenant. I could say a lot more about this; I will not do so this morning, but any time you want me to talk to you about the health of PSB and the importance of PSB, I will be here.

Baroness Vadera: Specifically, the plan says that DCMS has asked the Competition and Markets Authority to look at the definitions on consolidation in the sector, so it is up to the sector now to start to work and provide principles. That was very welcome.

Q22 **Jo Platt:** Baroness Vadera, how did you decide on the four frontier industries specifically?

Baroness Vadera: The easy answer to that is that we did not. DCMS did not; I understand that it was DBT that did. Certainly the creative industries taskforce did not. I know that Baz has a view on this. It came out of an approach in the industrial strategy that the eight sectors each needed to pick on certain specific segments. That is a reasonable proposition, for example, in things like advanced manufacturing or life sciences, perhaps, where you cannot cover the full ground. We are a different and slightly more nascent sector—I am talking decades rather than centuries in that sense—and we work as an ecosystem. Video games might be one of the most profitable and important in a commercial sense, but it needs the musicians and the graphic designers. It works in a very interoperable, interdependent way.

One of the battles that we had at the start was to keep coming back to “This is not how it works.” If you look at the measures in the entire strategy, while there are the frontier sectors that were pulled out, large sums of the money—a majority of it for access to finance or UKRI funding and so on—will apply to the whole sector, because we operate much more like an ecosystem than some others. It was not picked.

Sir Peter Bazalgette: Some of the specific measures for the so-called frontier industries—not our phrase—are very welcome, like the three growth funds that are attached to three of those four sectors, like the skills programme for games. That is all very welcome and excellent, and they deserve a place in it.



HOUSE OF COMMONS

I was advised not to repeat anything, Chair, but just to sharpen up the point, the main themes are investment, trade and exports, place investment and skills. These are for the whole of the creative industries. They are the main measures. They are for the whole ecosystem, so that specification of four sectors, with one or two good measures, is not the whole point of this plan.

Q23 **Jo Platt:** Will you limit it to four?

Sir Peter Bazalgette: As the members of the taskforce, we were told what the four were.

Baroness Vadera: DCMS was told.

Sir Peter Bazalgette: By the way, I love them all. I love them all, but we were told.

Baroness Vadera: It was interesting that we picked out createch. It was done very analytically, I am sure, by DBT on historic data, but we could see the trend coming forward, which was about createch, so we insisted on putting createch in, although it was not seen as a frontier sector.

Sir Peter Bazalgette: I said to make it the fifth frontier sector, but I lost that argument.

Baroness Vadera: But in effect it is.

Q24 **Jo Platt:** Caroline, do you think that there are any subsectors that could have had a strong case to be a frontier industry?

Caroline Norbury: I think that the bit that is missing, which is outside the frame of reference of it all, is the subsidised cultural sector. That was because it was not in scope. We have not talked about this at all, but one of the biggest challenges that we have in the sector is how you invest in new IP, invest in new ideas and keep that IP, that talent and that innovation in this country. A lot of it is about investing in a puppet show that turns into "War Horse". It is very difficult to have that conversation, because you are put in the woo-woo box. I would always argue for a holistic conversation and a strategy that recognises that, but that is part of a much bigger picture.

If we look at our investment in the arts, so much of it came from local authorities that no longer have that resource. It is a rabbit hole, and I understand why we could not necessarily go down it. In the strategy, through the wrangling between Shriti and Baz, we got more of that than perhaps we were expecting at the beginning of the conversation, but there are still a lot of conversations to be had, plans to be put in place and important discussions to be had about resourcing.

Baroness Vadera: Alongside that, we are waiting for the UKRI plan, which we are very excited about, on creative industries. We are also waiting for BBB's numbers and we are waiting for the Department for



Education on multiple fronts—post-16, as well as curriculum review and skills.

One of the most important elements is the funding settlement for the Arts Council. I have to declare my interest: I chair the Royal Shakespeare Company and we are the largest NPO outside London. Being properly funded in that cultural sector is critical to the creative industries, because otherwise we will not have the success that we have, with the skills and the innovation that comes from it. We will not have any of that without that funding. Margaret Hodge's review of ACE is also going on: it is another one of the elements that I hope will come later. We made it as clear as we could in the document how important it was.

Q25 Mr Alaba: Peter, many of the interventions lack deadlines, particularly in the frontier industries. Was this the intention, or is this part of the work for the DCMS?

Sir Peter Bazalgette: There will be a very clear programme, which will partly be monitored by the Creative Industries Council going forward, on timetable and delivery, and the civil service and DCMS are working that out at the moment. There is also the Industrial Strategy Advisory Council, which I think is empowered to monitor these things. Shriti, am I right to say this?

Baroness Vadera: Yes. I stepped off it, because I have quite enough other things to do after the first phase of the plan being published, but it will now go into monitoring metrics and outcomes, looking at that phase. That is by Diane Coyle and others.

Sir Peter Bazalgette: There is something in the report about monitoring and evaluation. We would expect, and we understand, that DCMS will be very clear on that in the next few months. I think that you should hold us to that.

Mr Alaba: I will do. I have written it down.

Sir Peter Bazalgette: Hold us to holding them to it.

Q26 Zöe Franklin: I want to ask a question that came out of some feedback that we got on the sector plan. It relates to the Creative Industries Independent Standards Authority. The plan says that industry will continue "strong, cross-industry support for the CIISA". In your view, what more can the industry do to support CIISA's important work?

Caroline Norbury: I was one of the initial founding board members to establish CIISA. Industry needs to continue to step up. A lot of them have. There are a lot of backers of the need for CIISA now and people have put their money where their mouth is, but others have not. What is important is that Government are very focused and supportive of that direction of travel. The more you can do that, and the more you can influence industry and how important that is, the better. That is one of the very positive things that you as MPs can do.



HOUSE OF COMMONS

I am no longer on the board, so I am not across the detail any more, but my sense is that domestic broadcasters and theatre companies and so on have been incredibly supportive of backing CIISA. The challenge has more to do with how we engage with international or multinational companies—particularly American ones, which do not have the same sort of culture of getting in a room together to try to sort out some of these issues, whereas our domestic broadcasters, for example, have been working together for some time. There are certain things that we can do to encourage that conversation and convening. There may be a role for Government to look at what you might do if you do not feel that that conversation is heading in the right direction.

Baroness Vadera: They need to be funded properly, but I know that there is work kicking off. The RSC is part of the trailblazer pilot programme and we are members and so on, but it does need the larger players to fund it properly.

Caroline Norbury: Yes, but that has to come from industry. That funding has to come from industry.

Q27 **Zöe Franklin:** Just extending that thought slightly, it is interesting to hear that CIISA estimates that workplace conflict costs the creative industries almost £2 billion. Does the plan account for the economic case for embedding CIISA across the sector, given that £2 billion?

Caroline Norbury: That information was released after we completed.

Baroness Vadera: Helena's report, yes, but nevertheless it is the fundamental argument for doing this from the industry's standpoint, as opposed to from a public good standpoint. I think it can do great things if it is funded properly.

Chair: Last but not least, Paul.

Q28 **Paul Waugh:** Thank you very much for being admirably candid and forthright so far in your statements. We all appreciate that. I would like to pursue that a little bit further. Sir Peter, you said something in your testimony that was quite ear-catching about public service broadcasters. You suggested that we should very quickly get used to the idea that within 10 years we could have just two public service broadcasters. In the real world that would be the BBC and ITV, wouldn't it?

Sir Peter Bazalgette: No, I would not specify the organisations. If you believe in the importance of the BBC from the point of view of its contribution to democracy, culture and the creative economy, you need to continue the public funding of the BBC one way or another.

In commercial broadcasting terms, you all know what is happening. We live in the streaming world. There are international companies that can now afford to spend £5 million to £6 million an hour on drama, which our public service broadcasters cannot afford to, even though they still produce very good drama. Their economics are very simple. Their



scheduled channels that deliver most of their cash are declining. They are declining slightly faster than their streaming services, which are excellent, by the way, and growing.

To be successful, a streaming service needs probably a couple of things: it needs the ability to commission high-cost drama to attract new subscribers, to have a large library, and possibly to have sport. Public service broadcasters do have sport because of the regulation around it. Those are three things that a successful streamer needs, and really we need the streaming services to be co-operating much more closely. I will not specify that one company should survive or another company should merge. I just think that we have been terribly slow to see what is happening to the economics of the industry—that is all. We need to push this public sector forward.

Q29 Paul Waugh: What should Government do to prepare for, if not shape, that future, with a slimmed-down number of public service broadcasters?

Sir Peter Bazalgette: Obviously No. 1 is sorting out the funding of a healthy BBC. No. 2 I will not reiterate, because Shriti has made the point, but it is about regulation that encourages consolidation, and asking broadcasters to co-operate more than they have done in the past, when they have not been very good at it.

There is some co-operation going on. There was the Media Act of last year, which allows prominence. We will see how Ofcom applies that new law. There are various good things there, but at the end of the day why does this matter? Programmes by us, about us, for us—we just have to keep that wellspring of brilliant programmes that lead our national conversation and define our values. They are really important.

Q30 Paul Waugh: Baroness Vadera, you mentioned in passing the Arts Council England review by Margaret Hodge, which the Government commissioned last December. As a former chair of Arts Council England, what view do you have on the way that review should go? In particular, its remit is to make sure that there are high-quality arts across the whole country. Is that already happening, or is there something that this review can add to make sure that it is accelerated?

Sir Peter Bazalgette: I am not privy to the review, and I would not want to second-guess it.

Paul Waugh: I would like you to second-guess it.

Sir Peter Bazalgette: With respect, I will not second-guess it. I understand what her brief is, which was given to her by the Secretary of State. From when I chaired the Arts Council, there has always been a perfectly good and legitimate argument about how much money goes to London, where we have many important national institutions, and how much money goes outside London. In my time, we shifted the money gradually. In my four years, we shifted 10% of grant in aid and lottery outside London without causing trauma. There was more trauma caused



HOUSE OF COMMONS

more recently when about £25 million had to be moved in one year. You will know all the arguments on that.

All I will reiterate is that whatever ideas Margaret Hodge comes up with, I hope that we do things gradually and that we respect the need for arts funding in the rest of the country, but we do not destroy important institutions in London. I hope that in the autumn, despite the admittedly very tight position that the Government are in with funding, we do not forget the importance of funding arts and culture—not just for its own sake, but for its importance to the creative industries.

- Q31 **Tom Rutland:** Caroline, I have a quick question on the response from industry to the plan from the sector. In the music, performing and visual arts frontier industry, the performing and visual arts organisations specifically noted that there was a lack of focus on them relative to music. The Society of London Theatre in particular acknowledged the scale, the reach and the ambition of the theatre and the performing arts, but felt that the plan did not include any new interventions to address the sector's most pressing challenges. What is your response to that?

Caroline Norbury: Canvassing the views across industry generally, across all the sectors and subsectors, the response to the industrial strategy and the sector plan was overwhelmingly more positive than I would have expected. In the tradition of these sorts of things, I felt that the fact that it was identified within the industrial strategy was a massive win.

There is always more to do. The issue for theatre in particular relates to the crisis that is going on in regional theatre. As I mentioned earlier, so much of that infrastructure was outside the scope of the focus of the piece of work that we were doing. It is absolutely legitimate in wanting to do more for grassroots theatre, grassroots music venues, art centres and so on, but that was not the focus of the industrial strategy lens. I will refer you to my earlier answer about how it is important always to have these conversations in the round and to understand the interconnections and interdependencies of all these little bits.

- Q32 **Tom Rutland:** You said that the response was more positive than you expected. What was the criticism that industry should have made of the plan that it did not?

Caroline Norbury: What I mean is that as a sector we are not really known for being good at speaking with one voice. There is always somebody who wants to stand outside the tent. Working with artists is demanding when you are trying to get consensus and get a single point of view. I have a lot of experience of doing that, of wrangling all those voices. Where we ended up was with an awful lot more people who came up to me and said, "I started out feeling very sceptical about this, but I think overall this is all heading in the right direction." That does not happen often.



HOUSE OF COMMONS

Tom Rutland: Who was the artist?

Caroline Norbury: We do have a very good tag team here, but anyway, that would be oversharing.

Chair: We love it when you overshare. Thank you so very much all of you for coming in to chat with us today. We will now briefly suspend to allow our second panel to come forward.

Sir Peter Bazalgette: Could I just thank all of you for the interest that you are taking in the creative industries? We hope you continue to scrutinise what we are doing as closely as you have done today. It is hugely appreciated—it has not always been the case. We have great potential, and with your help we can realise it.

Baroness Vadera: Can I urge you to look out for things like skills and education, AI and IP, and all the things that need to be delivered? If you are in a position to hold the Government to account, that would be fabulous.

Chair: Thank you very much.

Examination of witnesses

Witnesses: Sir Chris Bryant MP and Alastair Jones.

Q33 Chair: For our second panel this morning, we will hear from the Minister who holds the reins on this at DCMS, picking up on some of the themes from our panel on the creative industries sector plan. Welcome to Sir Chris Bryant, the Minister for Creative Industries, Arts and Tourism, and to Alastair Jones, the deputy director for the creative industries at DCMS. You are both very welcome.

I will kick off the questions with you, Minister. Can you encapsulate for us in a couple of sentences what the Government's central aim was for the creative industries in this plan?

Sir Chris Bryant: To grow the creative industries, because we know that they are an essential part of our economic future in this country. They have grown faster than most other sectors in the UK economy over the last few years, and we want to make sure that they do so in future. Where there are barriers that are set up by Government that get in the way of growth, we want to take them down. Where there are ways in which we can assist those sectors to grow even more, we want to help them.

Can I just say, incidentally, Caroline, that I am slightly hard of hearing and that this is a really difficult room in which to hear? If everybody could belt it out, I would be very grateful.

Q34 Chair: Yes, it is quite an echoey room, you are right—thank you for reminding us to speak up.

What was your focus? Was it on new interventions? Was it on consolidating everything that was already out there? There is quite a lot in this plan, isn't there?

Sir Chris Bryant: There is a lot in the plan. There were two key things that I was conscious of before we got to the general election, which had never really landed with regard to the creative industries.

One thing was about access to finance. This was brought home to me when I went on a visit to Leeds last year. Women who run career tech businesses in Leeds said to me that they could never raise any capital unless they went to London, said that they ran a business out of London and said that their business was run by a man. I wanted to look at the whole sector and how we make sure that investment in the creative industries was really possible in the UK. Sometimes I think that lots of parts of the financial services sector and the VC sector in the UK have not understood how to invest in the creative industries. That is a mistake for our future.

The second bit was about R&D. All too often the creative industries have not even thought of applying for R&D support, because they have not



HOUSE OF COMMONS

thought that what they are doing is R&D, but there are so many different parts of what happens in the creative industries that are slap bang in the middle of R&D. We wanted to transform those.

Those are the two things that I wanted to get over the line in the creative industries plan. Interestingly, Baz did not mention it, but the day before the general election he wrote an article for the *FT*, which I retweeted—if that is still a word—because that is what I really wanted to get done. We can build on that now with the British Business Bank and with the whole of the financial sector in the UK, understanding that this is our future as a country, we are a great creative industry hub for the world and we can prosper if we do this well.

Q35 Chair: There is certainly value in bringing everything together under one umbrella. There were a lot of things out there already in the ether that had not been brought together in one plan.

Could I give you a quick pub quiz? We were looking through the list of recommendations and trying to figure out which were new, which were recycled and which were stuff that had been announced earlier in the year. I am not going to be unkind, but I just wanted to know whether you know, because we were not sure ourselves.

Sir Chris Bryant: Just before you do that, I might take a look at it, because I am not looking forward to this bit. Obviously there are things that stand. You have been a bit critical that we have not said anything more about tax reliefs but, to be honest, we felt that we said what we needed to say on tax relief, for instance in film and high-end television, in the Budget last year. In your statement in the Commons last week, you also suggested that we have rejected any idea of other tax relief. The only point I am making is that of course we keep all these under review, but the time for tax relief moments is Budget time; it is not at this kind of moment.

Q36 Chair: The point we are trying to make is that there was quite a lot out there that the sector could take advantage of. There are a load of new things that you have announced, but it is quite opaque and there is a benefit in bringing everything together in one strategy, which people can refer to and see as an overarching theme for the creative industries.

Sir Chris Bryant: You are right. We have not highlighted sections where this is brand-new and nothing has ever been done before. The two things that are different from the past, as I say, are access to finance and R&D.

Q37 Chair: Is £100 million for the UKRI for creative clusters new or old?

Sir Chris Bryant: Well, half of it is new and half of it is old.

Q38 Chair: Funding for the World Design Congress?

Sir Chris Bryant: Sorry, I didn't hear what you said.

Chair: Funding for the World Design Congress.



HOUSE OF COMMONS

Sir Chris Bryant: No, the bit before that.

Chair: It is new. Yes, it is new funding.

Sir Chris Bryant: Well, half of it is new and half of it is old.

Chair: Yes. Funding for the World Design Congress.

Sir Chris Bryant: We have done that in the past and we are doing it again.

Q39 **Chair:** How about a freelance champion?

Sir Chris Bryant: That is new.

Chair: Actually, we recommended that in our creative remuneration—

Sir Chris Bryant: We are doing it. You recommended it. Where I possibly can, Dame Caroline, I like to agree with you.

Q40 **Chair:** We are really grateful. How about strengthening the rights of freelancers through the Make Work Pay plan?

Sir Chris Bryant: Well, that is new, but not to this. It is part of the wider Government since the general election last year.

Chair: You are good at this, we see. We like this.

Sir Chris Bryant: You know what I am talking about. It is a shock to everyone.

Q41 **Chair:** How about funding for the British Fashion Council's NewGen programme?

Sir Chris Bryant: We have been giving £1 million for the last few years, and we have not made a firm commitment yet about what we will end up doing.

Q42 **Chair:** Video games expenditure credits?

Sir Chris Bryant: That has already existed.

Chair: That was good: you passed.

Sir Chris Bryant: Thank you. Can I go now?

Chair: No. We like it. Thank you very much.

Sir Chris Bryant: I think we have to rely on you, Alastair.

Q43 **Chair:** Very impressive—we like it. But is the plan ambitious enough? That is the key.

Sir Chris Bryant: Yes, I think it is. Every Government Minister who ever sits before a Select Committee would always love to have twice as much money to invest in everything, and there are areas where we still have a great deal of work to do. I think we have identified the key sectors, which I see as a spectrum in the creative industries, from the very "industry" end of the creative industries sector to the more subsidised end. As you



HOUSE OF COMMONS

heard from the previous witnesses, it is very much an ecosystem that needs to fit together, but this sector plan is primarily about the industry end, where we think there are significant potential economic gains for the UK. We can drive forward economic prosperity not just in one part of the UK, but across the whole of the UK.

Chair: Fantastic.

Alastair Jones: Can I add the totality of actions to deliver growth by 2035? In some of the measures in the plan, I would particularly look at the UKRI strategy for the creative industries, which is to be published later this year, and findings later this year on IP-backed lending and career tech. These are big, sizeable bits of work that will further build on what is in the document.

Chair: Excellent. Thank you, Alastair.

Q44 **Zöe Franklin:** It is really good to hear about the fact that getting finance to the creative industries is a key part of what your thinking was. It is certainly something that I have talked a lot about with businesses in my Guildford constituency. I want to dig into that idea a little more. Can you give us some more detail on how you will make sure that the creative industries get a fair opportunity to access measures available to the IS-8 sectors such as the money from the British Business Bank, UK Export Finance and so on?

Sir Chris Bryant: Quite a chunk of that work has already happened. I should pay tribute to Shriti Vadera and Baz, who were essential to making all of this happen and delivering it in the way that they did. I think Shriti brought a particular understanding of how capitalism delivers its objectives. This is the first time that we have managed to get the British Business Bank very determined to be able to invest in this sector, and that is important.

Speaking of Guildford, video games are a really important part of what happens in your patch. We want to make sure not only that they have a chance to start, but that companies 10 or 15 years in—when many of them have said to me that they struggle, not least with finding skilled people to take the company on to that next level—can really prosper. That is not just about start-up funding; it is about significant capital funding later into the lifecycle of a company.

Q45 **Jo Platt:** How can you reassure subsectors that have raised concerns that the sector plan is just for the frontier industries and not the whole creative industries? As you know, we have done a survey and have had some feedback from that.

Sir Chris Bryant: Honestly, I was pleasantly surprised at the feedback that we have had on the back of the plan. I hosted an online call for the best part of 70 or 80 people. It was overwhelmingly positive, because we had managed to nail the two things I have already referred to that previous plans had not been able to delve into or had not managed to do.



HOUSE OF COMMONS

I have heard what some people in theatre have said. I love the statistic, which is a bit counterintuitive for most people, that twice as many people went to the theatre in the UK last year as went to a Premier League football match. Often people think that cannot be right, but it is factually right and it is an ecosystem.

I went to Ninja Theory in Cambridge, which is a video games company—brilliant. It does great work. The top floor there is entirely devoted to musicians, with people playing traditional musical instruments. On the second floor down from the top, there are people basically engaged in craft, making things that end up being scanned and put into the video game itself. On the ground floor, there are actors acting out scenes with those bubble things on—I am sure there is a technical term for that, which you probably know, Dame Caroline, but I don't.

My point is that it is a whole ecosystem, and we need to embrace all of that, but this bit was primarily about part of the national industrial strategy. I do not want anybody to feel that this means that we have not done anything for theatre or we have not done anything for music. We have done lots for music in here and we have more things to announce in the next few weeks, which I think will be quite transformational.

Q46 Jo Platt: Is that the reassurance: that you are saying "Wait for more announcements"?

Sir Chris Bryant: All of this happened before elements of the spending review could be unpacked. One of the most successful things that we have been able to do this time in the spending review is not only having a three-year spending review, which makes it much easier for people to be able to make longer-term decisions, but the fact that we have secured £3 billion in capital funding.

John Maynard Keynes was the first chairman of the Arts Council in the 1940s. He said that the Arts Council was brilliant, but what it would not do was sort out the capital problems of our cultural institutions. £3 billion will not transform every single cultural institution in the UK but it will go a considerable way. This is part of what we are doing in DCMS; it is not the sum total of what we are doing for the arts and the whole of the creative industries.

Q47 Jo Platt: What would you say to businesses that feel like the frontier industries that have been picked are those that DCMS intervene in regularly anyway? What would you say to those industries? That is some of the feedback that we have seen and received.

Sir Chris Bryant: People have not said that back to me. I would be interested to hear what interventions they would like to see in their sector. On publishing, for instance, I have met with the Publishers Association several times. I went to the London book fair and I have listened to its concerns, but those are mostly around IP and copyright—that is a whole other subject that you might come round to. I think we



are engaged in every different part of the sector, and indeed there are some bits of the sector that are effectively new creations, such as the creators working on YouTube and so on, which have not historically been recognised at all.

Alastair Jones: We have talked to the Publishers Association and to Audio UK, which represents podcasts. If what they are looking for is support to access finance, support to innovate and support for regional clusters, it is all in here for them. I think sometimes it is about explaining the cross-cutting element of the plan, which is about 65 pages of an 80-page document. There is a huge amount here for them and, as the Minister says, from the conversations we have had with them, the sector does get that, but we want to carry on those conversations as well. We want to make sure that they do and they can see the opportunities that are here.

Q48 **Jo Platt:** That goes to my next question. The focus of the plan is obviously investment in growth. How would you reassure creators that it also supports them? I think it goes back to the criticisms that we have heard. You are saying that there are other things that will come into play, so do you admit that there is further to do to reassure these creators?

Sir Chris Bryant: Of course, but who are the creators in the film and TV industry? They are actors, designers, writers, hair and make-up, cinematographers—they are an enormously wide group of people. Some of them are freelancers. Those are some of the things that we want to take forward with the freelance champion. We will be looking at those issues. It is about making sure that we have a film and television industry in the UK that is resilient, not least after covid and then the strikes in the United States of America. That is an important part of ensuring that there is work for creators. I argue that the industry is not separate from the creators.

Q49 **Liz Jarvis:** The music sector has pointed out that your commitments on EU touring lack a timeline and specific steps towards workable solutions. Can you provide them to us now?

Sir Chris Bryant: The first thing we needed to do was get an agreement out of the European Union-UK summit, which we did, which was that we were to take forward further work on this. One of the issues for us is that we are the people who want this to happen. I think it is in the interests of every other country in Europe to enable proper touring of UK acts across the whole of Europe. Whether that is an individual artist, an orchestra, a ballet company or whatever it may be, we are determined to do that. I had meetings before the UK summit with Commissioner Micallef. I have had meetings with four, if not five, of the culture Ministers, and I will be having another meeting tomorrow with the French Culture Minister, Minister Dati. I am determined to do this.

As I have said—I think you were in the Chamber last week when I said it—I am really keen to make this a whole-UK campaign. We need to



HOUSE OF COMMONS

persuade every country in Europe that it wants this as much as we do. It is not just about our artists having the right to go; it is also about making sure that people on holiday in Torremolinos or in the south of France, or the people of Germany, have acts that can sell tickets—and in many cases those acts will be British acts.

You asked about the timeline, and I am conscious that I did not fully answer the question. This is me about to cut my own throat, but I would like us to have resolved this issue by the next EU-UK summit. That is the timeline that I have set myself in my head. Nobody else has set me that timeline; it is the timeline I have set.

Q50 Zöe Franklin: Lovely. The sector plan includes music, performing arts and visual arts as frontier industries. Music has five target interventions, but performing and visual arts have only one tax relief. Is that sufficient to deliver long-term sustainable growth in performing and visual arts, in your view?

Sir Chris Bryant: There are tax reliefs for orchestras, for touring and so on, and for galleries, so it is a wider set. Of course, many actors move between theatre, cinema and television, so I would argue that it is much more cross-sector.

Alastair Jones: I would not over-agonise about bullet points attached to individual sectors. There is a huge amount here, as the Minister says, on performing arts and visual arts. There is more to come, particularly on performing arts, when you think of decisions to be taken following the spending review. The spending review was a week or two before the plan was published. That poses different challenges. There is a huge amount here for the performing arts and the visual arts, as there is for all parts of the creative industries, so I would not fixate on the number of bullet points in particular sections of the document.

Q51 Zöe Franklin: I would challenge that. From the many conversations I have had with those working in the visual arts, they feel like the poor relation to a lot of other sectors, including the ones that we have just referred to.

Sir Chris Bryant: By “visual arts”, you mean painting and—

Zöe Franklin: Yes, galleries, painting and things like that, so I would just gently push back on that slightly.

Sir Chris Bryant: If you think about the museums and galleries that we run on behalf of the UK—and they are arm’s length bodies—they absorb a large chunk of our funding. They had a good settlement this last year: it was roughly 5% above inflation and we have been privately congratulated by all of them.

Zöe Franklin: It is exceptionally challenging for the regional level.



Sir Chris Bryant: On top of that, we managed to find £75 million this year for capital investment for museums and galleries that are run by local authorities around the country, which was an important part of the pitch that we made to Treasury for the first spending review. Now we have to think about what we do for the next three years after this financial year, which is precisely what Alastair is referring to.

Alastair Jones: There is a point here, which I think Shriti made earlier, about recognition. The creative industries are recognised as a priority sector. Within that, visual arts are recognised as a particular opportunity. We were talking recently to CVAN, the trade body for the visual arts, and off the back of the plan it is very interested in monitoring how we will see subsectorial impacts. There is a lot of work to do to understand those subsectorial impacts, but I think that CVAN is encouraged by the substance of the plan as well.

Sir Chris Bryant: One of my direct interventions into this whole process was to refer to the British art market as well, because I have been concerned following Brexit that there would be a danger that we would lose our position to France. Actually, the British art market does more business than all the other art markets in Europe combined. We have gone back to No. 2; we were at No. 3 and we are back at No. 2. We have sorted out some of the issues that the art market had. There are some others for us to sort out. One of the proudest moments of my career, when I sat on the Select Committee, was when we advocated for the artist resale right, which is administered by DACS and is now coming up to a very important anniversary.

Q52 **Zöe Franklin:** I will come back to Alastair and say thank you—it is helpful to know that monitoring will take place and it will be really important data to fully understand whether the plan is having a positive impact on that sector.

I will move on to one of my favourite subjects, which we have already touched on this morning, Chris: video games expenditure credit. The video games industry is really important across the whole of the UK. Can you give us a timeline for reviewing and improving the video games expenditure credit to ensure that the industry remains globally competitive?

Sir Chris Bryant: I am not aware of pitches for an improvement to it. We and the Treasury review all the tax credits every year. The most important thing that we have done since coming into Government is saying that all these tax credits are staying put, but if people have suggestions on how we should improve them, we are happy to listen.

Alastair Jones: I think the industry has raised a few specific details that we will always continue to look at.



HOUSE OF COMMONS

Sir Chris Bryant: There has been an issue about whether they are getting paid swiftly enough, but we are already looking at that. That is just an administrative element, rather than a policy.

Alastair Jones: Tax relief is not the only thing that makes the UK games industry globally competitive; I think that that can be slightly reductive sometimes. It is not a race to the bottom. We have good skills, good infrastructure and good businesses. Tax relief is an important complement to that. We want it to work well. "Stable and efficient" are our watchwords, as well as "competitive". We will certainly continue those discussions with the industry.

Q53 **Natasha Irons:** Reading through the plan, there is talk of public sector broadcasters and what their future might look like. I can understand that you are asking the Competition and Markets Authority to explore how the public sector broadcasters might work together more closely. Do you want to outline why you have done that?

Sir Chris Bryant: I am not the broadcasting Minister, so I have to be very careful when I tread in this space. I am the Minister for Creative Industries, so I have responsibility for the production of films and high-end television.

As I have said to the Committee before, I want to achieve two things in this space. I want to make sure that there is enough of a production budget in the sum totality of all the public service broadcasters in the UK to be able to deliver high-end television—and low-end television, for that matter, if there is such a thing—that reflects British audiences' tastes and stories and that can make it in such a way that it can be sold around the world. Later this year, the Secretary of State will be launching the review of the charter, the licence fee and all the rest of it. I am not specifically involved in those discussions.

I have a deep regret about something that happened 12 or 13 years ago, when it would have been ideal if the British public service broadcasters and perhaps others had been able to combine to create a streaming service that would have knocked every other streaming service into a cocked hat. It was knocked down by the then Government and never came to pass.

Q54 **Natasha Irons:** Perhaps this is a pre-emptive step, then, because we have the public service broadcasters working together on Freely. Hopefully, that is something that they can invest more into, to avoid facing again the situation of having the rug pulled out from underneath them. Is that what we are trying to do, to get ahead of it a little bit?

Sir Chris Bryant: I don't know whether Alastair knows more about the specific discussions about broadcasting. The only thing that I will say is that I used to work in the BBC, about 5,000 years ago. Back then, the BBC was very much a hermetically sealed unit; it did not work with ITV, Channel 4, Channel 5 or anybody else. Now that is completely



transformed, with the whole arrangement in Salford and with the way ITV sometimes buys productions from the BBC and vice versa. I think that that is entirely beneficial for the UK sector. I would be worried if we ended up with competition rules getting in the way of public service broadcasters' ability to work together. I don't know whether Alastair has something specific to add.

Alastair Jones: It is helpful for broadcasters to understand what options might be available to them. As the Minister says, Project Kangaroo is a bit of a scar on the industry from 10 to 15 years ago.

The Ofcom public service media report is due this summer. I think it will be very interesting as to what the direction of travel is and what options are available. The commitment in the plan is that DCMS will write to the CMA to ask for an understanding of, given the changing media landscape, what does that mean for how the CMA will look at this market? It is not specifically proposing anything. It is just trying to understand where the regulator is.

Q55 Natasha Irons: It does feel as if we are in a situation where we have our PSBs now competing in this massive global market. Also in their favour is the rich, great content that can lead the world in many spaces. Do you think that there are any other places in which our PSBs could be looking to form strategic partnerships to put themselves on the global stage and push back a little bit against what is going on?

Sir Chris Bryant: If I may, there is a slightly previous question to that one: how do we make sure that public service broadcasters in the UK are able to compete in a world where the cost of making an hour of high-end television is more like £4 million, rather than £1 million? Are there efficiencies that can be driven forward that make it possible? How do they make sure that they have access to those kinds of budget? What kind of co-productions can they do, either within the European Union or elsewhere? While in the end, as you know, we are not going to go for a streaming levy, I want to make sure that public service broadcasters in the UK can compete with Netflix and everybody else on quality, as well as on getting audiences.

Dr Huq: Congratulations that you have the all-clear with cancer, I think.

Sir Chris Bryant: Yes.

Dr Huq: Good news—big hugs.

Sir Chris Bryant: Thank you.

Q56 Dr Huq: Following on with the freelancer stuff, we have had testimony from people who are a bit annoyed and are hoping that having a champion is not just a fob. People have said things like, "You should stop backslapping about the size of the sector, the revenue, blah blah blah—how are you going to guarantee incomes?" I just wanted to make you aware of that. One person also said, "Thangam Debbonaire, as shadow



HOUSE OF COMMONS

Secretary of State, collected all this testimony. What happened to it? Where did it go?" That is just FYI.

I want to ask about some of these non-frontiers—I think we mentioned them just now—which feel a bit cheesed off. Publishers feel it is a little bit complacent, because they have such a big value added. You have been pretty pioneering with your "First Draft" podcast—it has made history, I believe—and with the "Lost Voices" one you did before that, so eyebrows were raised when there was no podcasting in there. I know you have said that it is so new, but is there at least an argument for having them represented on the Creative Industries Council and getting them on trade missions, for example?

Sir Chris Bryant: Sorry, I think there were about seven questions in there. Thank you for the kind comments about cancer. When you have had cancer, you end up doing cancer admin a lot. Anyway, thanks very much.

On freelancers, it is definitely not a fob-off just to have the freelance champion. We have to do a lot more work on precisely what this will look like and how we can make it effective and proportionate to the work that we need to do. I am painfully conscious, because I meet people all the time who say this to me, that lots of people who are freelancers in film and screen have had no work for the last 18 months. Insecurities about whether there might or might not be different arrangements in the United States of America has contributed to that.

We need to make sure that we have a resilient sector in the UK, which is why the tax reliefs are so important and, in particular, the independent tax relief that we were able to bring forward and make it happen a little bit earlier than was anticipated. All of that is good news, because I think that that is about having a stronger UK sector, regardless almost of what happens in the United States of America.

I understand why lots of people want to work freelance. I am not sure whether I have said this before, but before I was born my mother was a make-up artist at the BBC. She was an employee of the BBC. There are no make-up artists who are employees today; they are all freelancers. I am not sure that it is good for the industry, in the end, if so many people are just freelancers. It does not provide you with continuity. There ends up being a bit of a skills problem. How do you make sure that people are trained and get ongoing training?

The BFI did an interesting report on AI education—well, on lots of things, but including AI education—in the film sector. It said that it is now completely haphazard. Some people are doing it really well and getting the benefits of it and others do not have the faintest idea, because they think it will never apply to them. I would like us in the course of this 10-year period to get to a place where fewer people in the sector are working freelance and more people have more secure ideas of their employment.



HOUSE OF COMMONS

You asked about who should be on the Creative Industries Council. It is a bit of a moot point whether it is a good idea to have everybody—every individual organisation—come on it. The danger is—you will know this, Dame Caroline, because you were involved in it when you were a Minister—that they will then just go in and represent their sector or their industry, rather than looking at the much wider picture. That is why we were very precise about the way we created the taskforce to produce the sector plan. We did not just have one from every single sector. I think that that has delivered a better cross-cutting plan.

I do not think that we will have every single sector on the Creative Industries Council. I want it to be tight and efficient and be able to drive forward change in the sector, while always trying to bring on board as many people as possible.

Alastair Jones: On publishing, the IP exhaustion point in the plan was extremely well received by the sector. IP is a theme through the whole document that is very important to publishing, as it is to most of the creative industries—as it is to podcasting, which is an emerging industry. I was talking to Audio UK last week. The biggest single spending line from DCMS is the £150 million that we are giving to six mayoral authorities to develop their creative clusters. It is over to them to decide that podcasting might be a real strength for them. We have not tried to dictate at all from DCMS. There are strong podcasting clusters around the country.

The biggest sums of money are from UKRI and, frankly, billions from the British Business Bank. If you are a business in any of these sectors, you should be really encouraged that the creative industries are identified as a priority. If you have a commercially investable proposition, the British Business Bank is there waiting for you now. There is a huge amount in here for all these sectors; again, we just need to make sure that everyone can understand that. I can understand the fixation on frontier industries, but it is just a part of the overall document.

Q57 **Dr Huq:** As a Department that believes in cultural exchange, soft power, skills development and all those things, do you know if there is any word on the street about when this youth experience scheme, for people from the EU to come here and vice versa, will happen?

Sir Chris Bryant: If only!

Dr Huq: So mañana, mañana?

Sir Chris Bryant: C'est demain. That was me doing "Macbeth" in Canadian French.

Q58 **Dr Huq:** Shouldn't we just go the whole hog and rejoin Erasmus?

Sir Chris Bryant: Erasmus+ is obviously where we are engaged. In our relationship with the EU, we are trying to be as rational as we possibly can. Where there are significant financial advantages and economic



advantages to us and where we can strengthen that relationship, we will, but sometimes it is a question of money and sometimes it is a question of whether the programme, as it is developing, is one that we can influence enough to be one that works for us.

I am in favour of youth exchange. I think that youth exchange between different countries is really important. I know that some people say that travel does not always broaden the mind, but it does give people an opportunity to see a different version of the world. Frankly, there are lots of parts of the visitor economy, for which I also have responsibility here, who would love to have some young people from Europe being able to come here, work here and help our visitor economy to really thrive at certain times of the year. It is a piece of work that we are engaged in, and I hope that we will be able to deliver fairly soon. I said “demain” because we have Macron coming demain.

Q59 Dr Huq: Très bien. I have also heard that even the market for things like au pairs has dried up post-Brexit. There are all sorts of things, seriously—language schools, all those things.

Sir Chris Bryant: I thought that that was one for Mr Hinds.

Dr Huq: I am glad that you are conscious of this.

Sir Chris Bryant: Interestingly, France has a seasonal workers plan for British people to be able to work on ski resorts and so on, which lots of people would not even know about. We just need to get to a rational decision in all these areas. Part of that rational decision is about being able to enable touring and enable proper youth exchange.

Q60 Dr Huq: Good stuff. What are doing about UNESCO and the intangible assets of cultural value? I found a scrutiny report from the House of Lords from 2024, but everything has gone a bit quiet since then.

Sir Chris Bryant: No. We are very nearly about to do something. We are fully behind it and fully support it. There are so many parts, and I would urge all Members to get engaged in this. The intangible assets campaign is an important part of recognising what Britishness is about. Whether it is rolling cheeses down hills or whatever it may be, there are so many aspects of the way we do culture in the UK that are different from other places in the world, and we need to embrace and celebrate it.

Q61 Dr Huq: Is that going to take the form of a consultation on what should be on the UK register?

Sir Chris Bryant: Yes. My understanding is that is imminent. I do not have responsibility for it—it is Baroness Twycross—but my understanding is that is imminent.

Dr Huq: An argument for youth culture, grime music, hip-hop, ska, punk, Mersey beat—there is a long list, yes.



Sir Chris Bryant: At the Grange Festival the other day, they had “Les Indes galantes”, the French production of the Rameau opera, which is a combination of hip-hop with 18th century music. Apparently it was an absolutely storming success. Those kinds of intersections are important. In the UK, we sit at the crossroads of the nations. Some of the best English-language literature is written by people with Indian passports. We need to embrace that and make that part of our future.

Dr Huq: Brilliant.

Q62 **Paul Waugh:** Maybe Alastair might answer this, given that you are not the Minister directly responsible, Sir Chris. Intangible cultural heritage is a clunky phrase for British cultural traditions and customs, but obviously it is important to you; it is important to a lot of us around this table. Alastair, in April the Government said “this summer”—

Alastair Jones: I should say that I am not the official responsible for ICH.

Sir Chris Bryant: He is even less involved, whereas at least I had responsibility for a while.

Paul Waugh: Could you find out for us? The vague phrase “this summer” was used about the next step on intangible cultural heritage and what would be done to promote and protect it. Can we get an answer from the Department as to what the phrase “this summer” means?

Sir Chris Bryant: I hate to say that I will write to you, but I will have to write to you, because when we are doing it is not in my head. I did not think we would be talking about it today.

Chair: I seem to recall from my days in government that “this summer” can be anything until about December.

Sir Chris Bryant: Well, that was the previous Government.

Chair: But so little seems to change, Chris!

Sir Chris Bryant: Oh no, we have a plan for change.

Chair: Oh, you do? Okay, we are looking forward to it.

Q63 **Tom Rutland:** Sir Chris, you said earlier, “Where I possibly can, I like to agree with you”, but the Government only fully accepted two of our 35 recommendations on British film and high-end TV; they rejected almost half and deferred or delayed the rest. Did we get it wrong, or does DCMS not have the funds or clout that is needed to support this frontier sector?

Sir Chris Bryant: I was going through the list, having read the contribution from the Chair in the statement last week, and I thought it was a little unfair to call me “Dr No”.

Chair: But you only said yes to two of our recommendations.



HOUSE OF COMMONS

Sir Chris Bryant: For instance, we are moving on R&D. We are not completely scrapping the concept of R&D and writing a whole new version, but later on this year we will produce an answer that I think leans more into a version of what the Select Committee has said about it.

On the apprenticeship levy, likewise: it is a well-made point that it is difficult in the film and television industry to provide a 12-month apprenticeship, which is why we have already said that we are going down to six months and we need to make it much more portable and flexible in precisely the ways that the Select Committee referred to.

I think we were criticised in the report for not going further on tax reliefs. I am only explaining that tax relief is a matter for the Budget normally. There are things that we might want to look at. It is "Never say never", I think, which is almost a different Bond movie.

Q64 **Tom Rutland:** What would be the tax relief that you would put forward to the Treasury as your top request?

Sir Chris Bryant: Haha! Good try. Well, what tax relief would you put forward?

Q65 **Tom Rutland:** I ask the questions. Moving on to intellectual property, I think the Committee felt that the response offers little detail about what the Government are doing to grow our fragile film and high-end TV domestic sector and protect the intellectual property there, in lieu of the proposals that we put in. Would you agree that perhaps the Government are relying on inward investment rather than solving this difficult issue?

Sir Chris Bryant: No, I would disagree. Last time I was before the Committee, I think I said that we need to have a mixed economy here, where of course there is inward investment. I want us to remain the best place in the world to make films and high-end television. I would say to our American, Canadian and other allies—in fact, I would argue Nigeria and India as well—"Do come here and make films, because we have well-qualified, highly-skilled people who can create a team for you very quickly."

We have great places in which to make films, not just close to London but in other parts of the country. Sunderland will be coming on stream soon. But we also need to make our own stuff. With the public service broadcasting review that we need to do, I think we need a long-term strategy for public service broadcasting, but with the tax credits that we have introduced and will maintain, I think we are intervening in the way we need to.

We have also invested in ScreenSkills and making more investment over the future. When I spoke to the BFI, I think it was the happiest of all the sectors. I hope I am not breaking a confidence, but it said in the meeting, "There is nothing that we asked for that we did not get".

Q66 **Tom Rutland:** That is really welcome, and so is the inward investment.



Some of the British production companies to which we have spoken feel that they have to give up too much of their intellectual property to satisfy the streamers. Is that something that you have recognised?

Sir Chris Bryant: Yes. I know that some have managed to keep it. For instance, they are making a film of “Heartstopper” at the moment, which I guess is for Netflix. That is being made by See-Saw productions, because it made the TV series as well; I think intellectual property is staying with See-Saw productions.

I want to see a mixed economy in that way. I want more intellectual property to stay in the UK as much as possible, but of course the more we can come up with ideas, the better.

Alastair Jones: I will add that when we talk to the streamers or the studios, it is not a one-size-fits-all approach. Different companies are increasingly taking different approaches. They all have different business models, so they want to strike different deals. From a Government point of view, I am very keen to understand how that model is evolving and how we can support IP in the UK.

Sir Chris Bryant: You have had Jane Featherstone in the past, haven’t you? On whether or not we should do a streaming levy—which is one of the things where we disagree with the Committee—not everybody in the sector agrees that that is the route to go. Others would argue that it is better to tweak the tax credits. We are very alive to that debate, and we be interested if you have more to say on that.

Q67 **Tom Rutland:** Can we look at another of our rejected proposals—the freelance commissioner, which we have touched on briefly—and the possible appointment of a champion instead? How will that operate? Caroline Norbury, the chief exec of Creative UK, was before the Committee just now, and she said that she thought the champion’s job might be to go into DWP and talk about how to get pension schemes and mortgage products that work better for freelancers, especially given that they are a growing part of the workforce. Do you see the champion as being empowered to go into other Departments to speak with Ministers?

Sir Chris Bryant: Yes. We have to work out what the precise terms of reference will be. That is a discussion that is ongoing. Of course, we want to talk to all the different parts of the sector to work out precisely what that should be, so that it is both proportionate and effective and so it does not end up being drowned in so many tasks that they cannot get any of them done in a timely way.

I was talking to—I hope she does not mind me citing this—Rebecca Salter, who is the first female elected president of the Royal Academy. She used to run the schools at the Royal Academy where they teach people to paint and to be artists. Her point was that it is one thing to teach somebody how to sculpt, draw or paint, but it is quite a different matter to teach them how to make a career and a living out of their art.



HOUSE OF COMMONS

That needs to be incorporated a great deal more into the whole sector, because otherwise people could be wonderful artists but never be able to survive for more than a couple of years. By “artists” I mean artists in every different sphere—including authors, for that matter.

Q68 Tom Rutland: Is the champion going to be a full-time paid role or a freelance role alongside another job? How do you envisage it being resourced?

Sir Chris Bryant: One of the questions that I was specifically asked was whether it will be a Minister. No, it will not be a Minister. It will be somebody with more independence than that.

Q69 Paul Waugh: Minister, I understand completely why you will not want to publicly suggest which tax credits you prefer to recommend to the Treasury and which you would not. Would you at least tell us whether or not you think there is real merit in the suggestion of the Film Distributors’ Association about helping independent and local cinema with their print and advertising costs? Is there some sort of relief there? Is there merit in that proposal?

Sir Chris Bryant: I am very painfully aware that it is one thing to make a film and another matter to get it in front of eyes and actually make a living out of it. That depends on distribution and a whole series of different things. Do we have enough cinemas? Do we have cinemas that know how to market? Do we have distributors that are able to function effectively in the UK and make a return for themselves? What are the terms of trade between the people who make the film and the people who distribute it? For that matter, what are the rows that exist if you are making a film?

There is a film now, “The Thursday Murder Club”, where there is an issue. I think there are lots of people engaged in that, including several of the actors I know, because they have said to me that they wanted to have a cinema release, but I think it is only going to have a cinema release in a small number of cinemas. The row there, I think, is with Netflix. There are a whole series of measures that we might need to take that would make it more possible for people to find eyes and therefore find a revenue stream.

The one other thing is that if you have a local cinema in your high street, it is one of the surest signs that your high street is going to flourish. This is a piece of work that I think we need to do with MHCLG about fostering that as a possibility.

Alastair Jones: The FDA, the trade body interested in that, has done good work looking at trying to build the evidence base. I think that is the first step. I remember that when we were in front of this Committee in January or February, that is what we said. I know that it has gone and done that. All decisions are ultimately up to the Treasury, but evidence is vital, and it is doing that.



HOUSE OF COMMONS

Sir Chris Bryant: He's very good, isn't he?

Q70 **Paul Waugh:** As we heard earlier from Sir Peter, skills are crucial. What has been slightly disappointing is that the only new specific investment in skills in this document is an extra investment for the NFTS, which is in the south, as you are aware. What are you going to do for investing in skills in the other regions?

Sir Chris Bryant: I think I heard you welcoming that investment—it did not sound like a welcome, but anyway. Some of the skills policy area is obviously not ours. It is the Department for Education's. The Department has had its spending review and it has to make decisions about how it can advance in this sphere as well.

I have spoken regularly to nearly all the Ministers in the Department about creative education in schools, because we need to be able to deliver that and everybody has signed up to it. But precisely how do you do that? I would like to do a lot more for cared-for kids as well. The Department has had its spending allocation. It now has to work through what that will look like. Of course, it also has to complete its curriculum review, although I think there are bits that are already in place that will lead to a creative education for every child. In the end, if a school is not deemed to be high-performing and if it does not have enrichment activities for every child, including art, music, drama, dance and so on, that is half the battle.

Alastair Jones: Could I add two things? With the £150 million to the six mayoral authorities, there will be a big opportunity for them all to think about how to support skills in their creative cluster. Secondly, in the autumn Budget, the funding for the creative careers was multiplied by almost 10. That has been sustained over the next three years. That is £3 million a year, which is significant. The Government will be working with industry to deliver it and reach the people we want it to reach.

Q71 **Paul Waugh:** Can I ask a broader question? One thing that many people have been frustrated by, while welcoming the broad thrust of this plan, is the lack of deadlines. Was that for the particular reason that you wanted flexibility? If you are working on the deadlines, when can we see them?

Sir Chris Bryant: Obviously, our sector plan is part of a wider industrial strategy, so we are mirroring the process in other industries as well. With another hat on, I have responsibility for space. Space is included in the advanced manufacturing sector, and there is a similar criticism there. You are absolutely right that we need to establish clear metrics. I hope that we will be able to do that soon. "Soon" is a word that, as Humpty Dumpty said, means precisely what I choose it to mean—no more and certainly no less.

Paul Waugh: As the Smiths would say, how soon is now?

Alastair Jones: There are a lot of "this years" in the document. We have the appointment of the freelance champion, IP lending recommendations,



HOUSE OF COMMONS

the new UKRI strategy, DFE skills and the higher education strategy. There is a lot in the document that is coming quite quickly—we do not say “September or October”, but there is a lot. The point of the industrial strategy is that it is not a one-off moment that is then forgotten about. It will be delivered on, with lots more going on regularly for the months and years ahead.

Q72 Paul Waugh: Will we get an update on the metrics and the timetable?

Alastair Jones: Yes, and there is a lot on the metrics specifically at the back end of the document, but we will add to it as we go.

Q73 Mr Alaba: We have heard from the comedy sector, which felt a little bit overlooked. I know that a roundtable has been offered, but that will come after they are able to feed into the sector plan. Is there anything that you would like to say? Have you any comments regarding that sector?

Sir Chris Bryant: I feel I ought to say something witty and amusing. You obviously toyed with that but rejected that idea. The point has been well made by, in particular, people from Leicester, because there is quite a conglomeration of comedy clubs and they have a comedy festival in Leicester as well. Yes, I am keen to have a roundtable.

I reiterate the point that this sector plan is not the sum total of what we are doing in DCMS or of what we are trying to do across the whole of the creative industries. I have a roundtable later on today at the Royal Opera House about orchestras and classical music. That is separate from this work. As you know, there has been a creative remuneration issue on streaming, and that work has been ongoing. There are a whole series of other areas.

I am also very keen to try to get floristry accepted as a creative industry in the UK, not least because there is a florist in every single constituency in this land and I think it is a creative industry. We have managed to help them through the EU-UK summit, because solidago and other flowers can now come in more readily than they could before. You did not know that, did you? If you go to a big event, floristry is an important part of the sector and the industry, as is comedy.

Q74 Mr Alaba: The DCMS has faced some real-terms cuts in day-to-day spending over the spending review period. How will you protect the Department’s capacity to deliver this plan when factoring in all the costs?

Sir Chris Bryant: This plan is funded and committed, and you know the specific sums, with the £380 million that was committed to. Some of that has come from us and some of it is coming from DSIT. I am grateful, incidentally, to my DSIT colleagues for wanting to embrace this. They will be able to say more later this year about R&D, about Innovate and so on.

As I said earlier, one of the things that everybody should give Lisa Hazelden and Andy Curtis a round of applause for is that we have managed to secure £3 billion in capital funding, which I think will make a



dramatic difference across the period that we are talking about. I would not just focus on the resource allocation. Obviously we all know that money is tight—if anybody has not got the memo, I don't know where they've been—but I for one was pleased with the settlement that we ended up with.

Q75 Mr Alaba: The administration budget is expected to reduce by 10% to 15%. This touches on your last comments about reductions, but between now and the end of the spending review period, how will that affect staffing and pay scales in DCMS?

Sir Chris Bryant: We must definitely be more efficient in the Department, as must every other Department. There are things that we need to learn about how we could run the Department more efficiently. There are some challenges in that. For instance, we have 42 arm's length bodies, I think. They vary, but they include things like the Arts Council. Incidentally, we have hardly touched on the Arts Council review, but that is another part of the work that will definitely affect some of the sectors that have not been addressed. We need to do a bit of rationalisation in that sphere to save some money as well.

Q76 Mr Frith: I echo Rupa's comments, Chris. It was good to see your tweet yesterday in the news.

On the topical issue of AI developers, Meta and Anthropic have admitted that they were illegally copying books: Anthropic was scanning books from an archive and Meta was illegally downloading them from shadow libraries. Does that prove that UK creators have been right all along that their creations are being used wholesale without consent or compensation?

Sir Chris Bryant: I cannot remember whether it was your debate or somebody else's debate in Westminster Hall at which I said that I thought it is completely inappropriate for people to use pirated copies of other people's books, including the Minister for Creative Industries, Arts and Tourism's books. As I understand it, there are people considering what court case they should take in relation to that particular pirated dataset.

My view is that people should be remunerated for the work that they have produced and that they should have control over how their works are used, in particular if it leads to the creation of other works that effectively supplant their works in the marketplace. That is the kind of work that we need to do over the next year or 18 months to make sure that we have a legislative system in the UK that is ready for that challenge.

Q77 Mr Frith: I think you were here when we spoke to the first panel on the issue of the creative content exchange. It seems that there has been both ambiguity and detailed submissions, from answers and information that I have read, in relation to that particular idea. It has spooked quite a few people that I continue to be in touch with, from the endless conversations that we have had on the issue of AI and copyright. What is



HOUSE OF COMMONS

your take on it, what is your hope for it and what does it try to solve?

Sir Chris Bryant: If it is all right, Dame Caroline, I am going to be the data Minister and the creative industries Minister in one.

I do not think anybody should be spooked by it. It is an entirely positive thing to consider, but it is very embryonic at the moment. If I can be just the data Minister for a moment, we have a stock exchange in the UK but we do not have a data exchange. A lot of organisations have data of all sorts. Sainsbury's has data; Ocado has data; the NHS has data; rail companies have data, for instance about which railway stations have toilets in them. Often they have never managed to realise the value of that data or managed to work out a way of making it accessible so that they can realise that value.

In DSIT, we are in the process of considering whether we should create or enable a data exchange like a stock exchange. If we managed that—if we pulled it off—we would be the first country in the world to do so. We obviously have to put guardrails around public data, because the public sector has vast amounts of data, and whether it is anonymised and there is consent and all of that kind of stuff is an important part of it, but undoubtedly you could improve rail services, for instance. For people who have bowel cancer or bowel problems, information about toilets on trains would be a really important thing that you might want to release—and you might want to release the value of that information.

Translate that to where we are in the creative industries. Museums, galleries, individual artists and musicians and so on also have vast amounts of data. Some of it is content: you might not recognise it as data, because it is a book, but it is also data. They have not found a means of realising the value of that. That is simply what we are trying to work out: whether and how we could advance.

Q78 **Mr Frith:** It is an exciting idea. I think the challenge is how it sits alongside or respects existing copyright frameworks.

Sir Chris Bryant: It would have to respect copyright completely. The idea is that this would be effectively an answer to the licensing question. How do you get to a place where people can license, in both senses of the word: "license" as in "allow", and "license" as in "get remuneration for the use of their data"?

Q79 **Mr Frith:** If I am a content creator and I opt not to use your exchange, will I be at a loss? Will I be penalised? Will I be behind the opportunity?

Sir Chris Bryant: No. You would only be at a loss in the sense that there might be a potential route for remuneration for you through this—but only that.

Q80 **Mr Frith:** So bodies that are responsible for aggregated licensing at the moment should not feel threatened by this? They would presumably be able to plug into it if they want to, or co-exist alongside it.



HOUSE OF COMMONS

Sir Chris Bryant: I am going to be a bit cautious. For instance, it is perfectly possible that DACS, which represents visual artists, photographers and painters and so on, has a large amount of data. It might want to take part in this and effectively sell or license—permanently, temporarily, for fixed purposes or whatever—the content that it has. Of course, it would probably want to have gone to all its artists beforehand to say yea or nay. I think any individual artist or photographer must also have the right to say, “You know what? I do not want to participate in this at all because in the end I think all it will do is produce work that replicates me in the market.”

Alastair Jones: We are really trying to look at what the sector will look like in 2035. On something as ambitious and, as the Minister says, embryonic as this, it would have been quite easy to say, “Well, we will figure that out behind closed doors later.” We did not do that. It is an ambition for where we think the future of the sector is. There is clearly a lot of work to do with the industry to look at different models and the point in the plan that says, “This work will be funded by the R&D missions programme” demonstrates where it is at. We are working with DSIT, with research councils and with industry.

There is a lot of work to do to look at what is possible. We are hugely conscious that there are a lot of industry initiatives and collective management organisations and individual rights holders. There are a lot of interested parties. What is the opportunity for the UK and the UK creative industries to look slightly further ahead, rather than just at incremental change? That is what the plan is trying to get at.

Sir Chris Bryant: There is something that my view has changed on this year. At the beginning of the year, I think I thought that all AI in future would be general-purpose large language models and that there would be just five or six massive ones. I think the future will lie in much more closed, proprietorial large language models, which might rely on some of the stuff that they got from the bigger ones, but in the main will be much more tightly restricted and much more specific.

A law firm might want a proprietorial system so that it is not surrendering the copyright on the stuff it puts into it; they might want it to learn how to produce legal documents. Similarly, there might be versions that are specific to music. I have met Charismatic.ai, and they are working with Channel 4 and others around how you could use AI to develop scriptwriting. They said to me that one of the difficulties is that AI finds it difficult to come up with dramatic irony, which is ironic in itself.

Mr Frith: It is called a writers’ room at the moment, presumably—the development of a script.

Sir Chris Bryant: Well, it might be, but writers’ rooms are using AI to help them to do things that would otherwise be very laborious and take a long time. This is the point that I think the BFI is making, which is that



HOUSE OF COMMONS

lots of people are using AI and the people who are using it within their work are flourishing.

Q81 **Mr Frith:** A final point on this: do you think the creative concept exchange will form a part of any likely AI Bill?

Sir Chris Bryant: That is to be determined, to be honest. As I say, it is very embryonic; I would say that it is only in the first trimester.

Q82 **Damian Hinds:** On your first trimester gestation, I am just trying to understand this. There are obviously large public sector datasets that are made available—Ordnance Survey, Royal Mail postcodes and a bunch of others—and HMRC data or DWP data can be made available to researchers with appropriate safeguards. I am not quite sure that I understand how an exchange would make that any more efficient. If you mean rather that we have to find a way to make large private sector databases available, I am not sure I understand why that is a Government activity.

Sir Chris Bryant: Well, it might not be a Government activity. For instance, if I go back to my data Minister side, there are companies working in this sphere that would like to create a data exchange like the stock exchange, because there are lots of organisations that simply do not know where to go to find data, to buy data that they might need, to sell data or to license data.

Q83 **Damian Hinds:** No disrespect, but why do they need you?

Sir Chris Bryant: This is precisely the question I asked them yesterday.

Damian Hinds: We are on the same wavelength.

Sir Chris Bryant: Not always. One of the points that they make is that they want to know whether there are legislative barriers for them that might need to be unpicked. They want to know whether at some point the Government will have to decide what they are doing about their own data. There are a lot of privacy issues and GDPR issues around Government data and so on, but there is lots of data that Government owns that would be useful and valuable—those are two different things—to others. Sometimes one Department would find that information useful to another Department or local government might find it more useful to others, hence the issue that I raised about who knows whether there are toilets on railway stations.

Damian Hinds: Yes, but Network Rail presumably knows.

Sir Chris Bryant: You said “presumably”.

Damian Hinds: Well, if the data exists, it has it. I am not sure how your exchange—well, we will find out in due course, I suppose. Perhaps in the third trimester.



Sir Chris Bryant: Sorry, Mr Hinds, but what matters is that it needs to be data that is usable by others. That is the point. For instance, if you are buying your ticket from Trainline and you have a condition, at the moment you cannot know. You would have to use some other means of finding out what railway stations—

Damian Hinds: They build APIs between the different systems so you can index the two datasets together. Anyway, we will find out in the fullness of time—or term.

Q84 **Chair:** A previous Government—back in 2013, a long time ago—tried something called the copyright hub. It was shut quite soon after it launched. How is this different? I guess the use of AI makes it different, but in what other ways is this different?

Sir Chris Bryant: Sorry, I do not know enough about the copyright hub. Alastair might know more; I think he was in the Department.

Alastair Jones: It is a similar concept. We are talking to some individuals in the sector, the Association of Photographers, who were involved in that and there were challenges in it. I think you are right in saying that the world of data and its possible uses has changed. The opportunity is perhaps a little bit clearer as well.

One of the ideas that this stemmed from is that in the AI opportunities action plan there is reference to a copyright-cleared dataset. You have the British Museum and the BBC and hundreds of museums, and all of them, at the moment, have to think about digitising their content, striking individual deals. Shriti was very clear earlier: how do you find the value for that? At the moment, there is a risk to the UK and to the UK creative sector that in discussions with, most likely, US tech giants they struggle to fully understand and realise that value. There are a lot of bits of work going on with research councils towards a national collection by the Arts and Humanities Research Council and various things. The idea here is how to bring that together and be genuinely visionary about what this future might look like.

As the Minister says, it is extremely challenging. It is at an early stage, but that is what the R&D missions programme funding is for and we want to bring together people across Government and industry. Shriti in particular has done a pretty sensational job of going around bashing heads together, as you can imagine, to get interest in this. Everyone can see the opportunity. There are a lot of technical challenges to overcome, but that is what we want to try to do.

Q85 **Mr Frith:** On the data exchange, I love the idea of an equivalent to the stock exchange in data terms. In policy terms, it is quite an exciting prospect for the public realm to have such a thing, not least because it may present as a way of raising revenue for the Exchequer as much as any licence holders. In the first panel there was reference to this creative content exchange being privately owned, so flipping from the stock



HOUSE OF COMMONS

exchange equivalent to the content exchange. Do you envisage it becoming a privately owned thing? Is it not better off kept as an arm's length organisation?

Sir Chris Bryant: He is against it being Government-run, and you are—

Damian Hinds: Common ownership as a means of exchange.

Mr Frith: Well, common ownership I am more comfortable with, obviously.

Alastair Jones: I think that that is the rationale for the Government being involved at this stage: to test and discover different models. It may be that in future it makes most sense for it to be run privately.

Q86 **Mr Frith:** It might be a really clumsy equivalent, but is it a bit like when we sold the Tote so that you could get to a position where it was something of value that the state owned as an asset that was then sold privately, or the licensing of broadband?

Sir Chris Bryant: It is enabling a marketplace, in essence, and sometimes local government provides the space where the market can take place. Sometimes it owns the market and sometimes it allows the market to be run on an entirely commercial basis. The stock exchange, of course, is a business. We have not decided, but part of what is going through my mind as the data Minister is that if this is to be successful, there will have to be technical solutions. Somebody will have to come up with those technical solutions and they will have to be paid for it.

Chair: Last but not least, Liz.

Q87 **Liz Jarvis:** Minister, I want to ask you a quick question about tourism. I was very concerned to see the new figures from the Office for National Statistics that show that between October 2024 and this May, 69,000 jobs have been lost in pubs, restaurants and hotels, and as many as 200,000 could be lost. This is as a result of the increase to employer national insurance contributions. What assessment have you made of the impact of the hike on the goal to make the UK tourism sector the best in the world?

Sir Chris Bryant: I will address the first half of that, and then the second half. Yes, I fully accept that there are real challenges for the whole hospitality sector in the UK and, by definition, therefore the visitor economy. I am still hopeful that we will have a larger number of people this year than last year coming to the UK from overseas. We set an ambitious target of 50 million international visitors by 2030. We will only be able to achieve that if we manage to have strong businesses, including hotels and other forms of accommodation, pubs, restaurants and all the rest of it. We must have a good offer.

One thing that those in the sector have said to me is that they would prefer not to have to pay VAT and not to have national insurance



contributions. They have said that clearly to us, but they have also said that there are other problems for them. There is planning: it takes a very long time to get a hotel built in the UK or get changes to a hotel. Secondly, there are issues in the cost of building, which has gone up quite dramatically, not only in the UK but elsewhere.

That is why we have set up the Visitor Economy Advisory Council, which is trying to create a national strategy for tourism, which I hope it will produce by the end of the year. We had a very good roundtable in Downing Street last Monday morning. I met with people from the local visitor economy partnerships today about some of these issues. I cannot give them a cut in VAT and I cannot give them a cut in national insurance contributions, but one of the things that we have been able to do is help on business rates for a large number of hospitality businesses in the UK.

I think that one of the biggest difficulties for most people for domestic tourism is still the cost of living, frankly. People are not visiting as much as they did before covid, just as fewer people are working than did before covid. These are issues that we must address.

I think your last bit was about how I see us on the international sphere.

Q88 Liz Jarvis: What assessment have you made of the impact of the hike on the UK tourism industry?

Sir Chris Bryant: In a sense, I have answered that. People have raised these concerns with me; I had a meeting yesterday morning with people from Hilton, and they are concerned. They are equally concerned, incidentally, about another pebble in the pond at the moment, which is that the pound is now so expensive compared to the dollar that there has been a significant fall in the number of people visiting from the US. There may have been a significant number of people deciding that they want to live in the UK because of events across the pond, but the number of people travelling to the UK has fallen significantly. That is why we must look quite clear-sightedly at what we do about our marketing policy for France, the United States of America, the Gulf, Australia and so on.

Chair: Thank you both for being so generous with your time and for answering all our questions today. It has been great to see you both.

Sir Chris Bryant: Bearing in mind what you said last week, Dame Caroline, I think it is about time that we celebrated the creative industries. This is not just a brief encounter; for many people it is a matter of life and death, and in the end there is hunger for change. I hope that by the matter of persuasion, you will accept that we are doing the right things.

Chair: Time will tell. Hopefully we can shed the Dr No image and recast you—

Mr Frith: As Dr Zhivago?



HOUSE OF COMMONS

Chair: As James Bond.

Sir Chris Bryant: This is God's own country and I am a mere servant.