

# Digital, Culture, Media and Sport Committee

## Oral evidence: The impact of Covid-19 on DCMS sectors: Creative industries, HC 291

Tuesday 9 June 2020

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Members present: Julian Knight (Chair); Kevin Brennan; Steve Brine; Clive Efford; Julie Elliott; Damian Green; Damian Hinds; Giles Watling.

Questions 282 - 392

### Witnesses

**I:** Julian Bird, CEO, UK Theatre and Society of London Theatre; Caroline Norbury MBE, CEO, Creative Industries Federation; and Horace Trubridge, General Secretary, Musicians' Union.

**II:** Caroline Dinenage MP, Minister for Digital and Culture, Department for Digital, Culture, Media and Sport; Emma Squire, Director, Covid-19 Economic Response and Arts, Heritage and Tourism, Department for Digital, Culture, Media and Sport; and David Knott, Director, Office for Civil Society, Department for Digital, Culture, Media and Sport.



## Examination of witnesses

Witnesses: Julian Bird, Caroline Norbury and Horace Trubridge.

Q282 **Chair:** This is the Digital, Culture, Media and Sport Select Committee, and it is our hearing into the impact of Covid-19 on the DCMS sectors. Today we are going to be looking at the creative industries. Our witnesses for the first panel will be Julian Bird, the CEO of UK Theatre and Society of London Theatre; Caroline Norbury MBE, the Creative Industries Federation; and Horace Trubridge, the General Secretary of the Musicians' Union.

We will have two suspensions during this hearing, one prior to the second panel, which is with Caroline Dinéage, Minister for Digital and Culture; David Knott, Director, Office for Civil Society; and Emma Squire, Director, Covid-19 Economic Response and Arts, Heritage and Tourism at the Department for Digital, Culture, Media and Sport. That first suspension will take place at around 10.30 am. We will then have a short second suspension for a moment's silence at 11 am.

Before I commence with questioning—and our first witness will be Julian Bird, the CEO of UK Theatre and Society of London Theatre—I am just going to go around the members and ask whether or not they have any interests to declare.

**Steve Brine:** None, Chair.

**Clive Efford:** None, Chair.

**Kevin Brennan:** I am a member of the Musicians' Union and have been for many years. I also receive support from the Musicians' Union at election time, and the General Secretary has played saxophone on one of my records.

**Damian Hinds:** I cannot match that. None.

**Julie Elliott:** For the second panel, I am Chair of the All-Party Group on Digital Skills, an area I will be asking questions on.

**Giles Watling:** I am Chair of the All-Party Group on Theatre and was a longstanding member of Equity.

**Damian Green:** No, Chair.

Q283 **Chair:** Good morning, Julian Bird, thank you for joining us today. We have seen today that the Birmingham Hippodrome has started laying off staff. There have been a number of theatres across the country, in places such as Southampton and Leicester, that have closed their doors, perhaps forever. By this time next year, how many theatres do you think we could end up losing as a result of this pandemic?

**Julian Bird:** As you rightly point out, we are potentially at the start of a very worrying time for this sector, in which we lead the world. Our latest survey told us that 70% of theatres or production companies, both, would run out of cash and go out of business by the end of this year.



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That was consistent whether you looked at purely London or at the rest of the UK, or whether you looked at subsidised organisations or commercial organisations. It was consistently around 70% for everybody, so timing is clearly very acute, and you have seen the start of that happen, as you have just pointed out.

**Chair:** Just to be clear, you say 70% by the end of the year?

**Julian Bird:** By the end of this year.

Q284 **Chair:** In an even shorter timeframe, are there others that are near extinction?

**Julian Bird:** Very much, yes. That starts getting progressively worse, and I am sure we will come on to some of this. Unless there is a change in some of the Government's support that we see at the moment, you will see more and more theatres like Birmingham Hippodrome having to make very difficult decisions around their workforce to try to preserve themselves to reopen when they can.

Q285 **Chair:** In some of the conversations I have had around the sector, one of the key issues that has been raised with me is the issue of social distancing and the fact that 2-metre social distancing means that theatres would have to run at 20% capacity in some instances. At 1 metre, it is 60% or 70% capacity potentially. What are your thoughts on that? Is it a game changer, 1 metre over 2 metres?

**Julian Bird:** Two metres gives us an average seating capacity of around 20%. It ranges from something like 12% or 13% up into 25% or 26%. It is entirely dependent on the age of the building, how many aisles there are and how many access points there are. At 1 metre, most of the estimates are that that goes up to somewhere like 30% to 35% capacity, so I am afraid it is nowhere near 60% or 65%.

The main reason for that is, in a fixed auditorium with seating, you have to leave every other row free at 1-metre social distancing, so you immediately go down below 50%, and then of course you have to leave a metre between household groupings. You get down to 30%, 35%, something like that, and the theatres that have modelled that, auditoriums that have modelled that—not just here, but I would also say around the world—have come up consistently with those figures. Clearly that is not an economic or business model that any venue can realistically operate on in any sort of timeframe going forward.

Social distancing without doubt is one of the real challenges for audiences. We are making progress on how we can get around that and work within the guidance backstage for actors and everybody else, but clearly for audiences in buildings, that is the number one challenge.

Q286 **Chair:** When you say "progress", what do you mean? It seems to be almost impossible. I have been told different numbers by different theatres in terms of what this means. As you say, a lot of it depends



upon the architecture of the theatre. In that respect, if we do end up with 1-metre social distancing, that still seems completely uneconomic.

**Julian Bird:** In the majority of cases, bar some short-term activity, it is uneconomic for most theatres in the UK, for most venues in the UK.

Q287 **Chair:** So they go bust, is that right?

**Julian Bird:** There are many options, aren't there? First, some form of subsidy to enable them to do some form of activity. Remember, theatres work on stages with a huge amount of community and outreach work as well, which has, in the main, stopped at the moment—that is incredibly important for the social welfare of the country as well.

There are some digital things happening, but that is not a long-term business model. The money flowing in from that is relatively low. Or, as you will have seen—and you started with Birmingham Hippodrome—lots of theatres are making hard decisions now in order to preserve enough reserves so that they can come back when social distancing in an auditorium is no longer needed. We are already seeing that around the world: South Korea, Australia and Austria have plans to gradually allow fully seated stadiums in sport, theatres or concert halls. We are seeing other countries come through the other side with very low levels of infection, having got the virus under control, and then opening all auditoriums. The question is when we will get to that point here in the UK.

Q288 **Chair:** Could you briefly spell out the impact of the 14-day quarantine? As part of your organisation, you also represent London theatres, so I imagine they are very much in the firing line when it comes to that particular policy initiative.

**Julian Bird:** Yes, very much. Talking around the West End, just London, we sell over 15 million tickets a year. More tickets are sold for the West End than for the theatre in any other city in the world, more than New York, more than Broadway. Around a third of attendees at London theatre are overseas tourists. It varies from show to show, but around a third overall. Of course at the moment there is very little prospect of overseas visitors. Even if you could open all the auditoriums, you have a question around audience, without any doubt.

Nickie Aiken, the MP for the Cities of Westminster and London, has been talking very much about the economic spill-over from theatre in the West End. People spend around five to six times in the local area what they spend on their theatre tickets, so the bars, restaurants, hotels and everything in the centre of London are very worried about where their visitors and their income will be coming from as well. The quarantine means that the groups are just not booking from around the world at the moment.

Q289 **Chair:** The decision to increase the congestion charge was described to me as “a kick in the teeth” for the industry. I have spoken to the likes of



the RSC, and it has told me that one of the first things that will potentially go during this crisis—this cash crunch for the industry—is outreach work, work within communities and disadvantaged communities. What are your thoughts on that? Is that a correct interpretation?

**Julian Bird:** Yes, I am afraid that is a correct interpretation. I think the theatre industry across the country is rightly proud of the work it does in education, work with young people, work with different communities who need support and aid, whether that is people suffering from dementia, whether that is people in their latter years, whether it is working with police and community trusts across the UK, in and out of prisons. I think some of that sometimes goes unseen, the amount of work that happens throughout this country through the use of theatre and by theatres.

In the main, the majority of that has stopped at the moment. Some, the same ones that are starting to talk about how we preserve ourselves for the future, are saying that that activity obviously will not happen for the foreseeable future.

Q290 **Chair:** What specific ask does your industry have of the Government in terms of trying to ensure that there is still a vibrant theatre sector a year, two years, three years hence?

**Julian Bird:** Our ask is in three parts, very briefly. Part one is around our workforce. We need to sustain the world-leading workforce we have built up, and that is an ecology you cannot recreate very quickly. We need changes to the job retention scheme to enable people to keep employees, instead of what you are seeing happening in Birmingham, as you rightly said. Crucially, around 70% of our workforce are self-employed or freelancers. A large proportion of those are missing out on any support at all at the moment from the self-employed scheme. I am sure Mr Trubridge will talk around that for musicians, but the estimates are between 25% of 50% of freelancers, depending on their role, are missing out on any Government support at the moment. That is very worrying for us, and our benevolent charities are seeing applications rise and rise as the days go on, so it is sustaining our workforce.

We need to work with the Government on theatre recovery. We have lots of ideas around that, but including our supply chains—the tens of thousands of small companies that make up our sector—not just the theatres themselves, the set builders, the costume makers and everybody else. Things like theatre tax relief, we believe, could be used to help incentivise economic activity there.

Finally, we need to look at how we safeguard the industry for the future. Some will need some money; some will need grants. We have come up with some ideas and some schemes, something called the investment participation scheme, which we think enables the Government to take a long-term role, a long-term interest, in our sector, where we lead the world and where you can see there have been significant returns from



theatre activity. We all talk about *Les Misérables* and *War Horse*, but there are many other examples where small investments have led to huge economic returns.

Q291 **Chair:** Would a doubling of EIS, for example, help?

**Julian Bird:** Yes. EIS, for lots of reasons, does not work particularly well across theatre because of its structure, but the theatre production tax relief works very well. We think this new investment scheme would enable people to pay back both through their activity in the community, the things we have just talked around, but also economically to the Treasury, where the Government could participate properly in the success of the future, which we firmly believe will be there.

Q292 **Giles Watling:** Good morning, Julian. Good to see you. It fascinates me: we must not forget that theatre is not the poor relation. We are often seen as handwringing and asking for handouts, and that is not the case at all. In 2018, UK theatre played to 84 million people, and ticket revenues alone were £1.28 billion. We are a powerhouse and we must celebrate that, in my view.

We must also remember that there are other ways. People are being innovative. People are starting pay-to-view theatre. What is your view on that. Could that be a stopgap? Is that something we could bring into the future, having pay-to-view theatre?

**Julian Bird:** Thank you, Giles. You are right, our numbers are extraordinary for theatre. The statistic that I always trot out is that more people go to the theatre than go to league football games in the UK, across the whole country. It is quite startling when you realise how many people we are talking about.

Yes, you are right. We have seen some digital innovation, thanks to some of the major organisations and other companies that have made historical productions available free for people to watch and have asked for donations. I must point out that, in the main, those are all historical productions, so the reason they were able to be produced was that they had a long run in the theatre, and towards the end of that process they were then filmed for distribution either to the cinema or for archive purposes. They were not created in order to be filmed. It is remarkably expensive to do that if you do not have a run of performances with audiences and ticket income. We are starting to see one or two very small things like that happen, and it will be interesting to see how that works. The Old Vic, as you know, is bringing back a production it has done before called *Lungs* for a short run of performances where people can buy a ticket to watch it live at that time.

Our understanding is that the levels of donation for those free streams of performances has been remarkably low, so asking people just to give money for what they are seeing is obviously quite low, and I think the whole industry is looking at that going forward. Just to repeat, creating a production from scratch just to film it and put it out is incredibly



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expensive if you do not back it with a whole run of performances with ticket income.

**Q293 Giles Watling:** Are there pay-per-view systems that are working and are creating enough industry—

**Julian Bird:** There are pay-per-view systems, and I know of others that are being discussed to be created, but I do not think that is the long-term solution for our theatre industry. It may play a small role in the short term, but it is clearly not a long-term economic answer to where we are now. The whole nature of theatre is, of course, coming together as a group at one particular time in an audience, so the nature of watching theatre online is very different in and of itself.

**Q294 Giles Watling:** Absolutely, and we must not lose it. I am interested in the cultural investment participation scheme that you mentioned earlier, which I think Sam Mendes has been trumpeting from the rooftops. How do you envisage that working? Is it going to be like the old theatrical investment fund? Is it going to be the Government taking a percentage of performance? How do you see that working?

**Julian Bird:** We have a group working on it. We are delighted to be talking—we hope more—with Government around it. That has started. It is a scheme that basically enables the Government to participate both in organisations that you might say are subsidised or have public support—the charities, the trusts, the not-for-profits—to put some money in, and the return comes from productions, the commercial success, the profit on those, but also in organisations working in their communities in one way or another, all agreed on a case-by-case basis.

It also works for the commercial sector, which of course is in desperate need of getting back up and running as well, like commercial sectors across the entire economy. It works there exactly as you are describing, effectively like a theatre angel, but where the Government would get real return, we believe. The statistics over the years show that that is possible for them. This is not just asking for a huge amount of grant money. This is saying, “Come and be part of the investment for the long term in our industry.”

**Q295 Giles Watling:** You mentioned the very word there, “angels”. Do you think there is a place for our regular angels, who have been investing in theatre for years, to step up to the plate and help out? If so, how would they do that?

**Julian Bird:** Yes. There are two parts to that question. There are angels in the commercial theatre. These are people who risk money and back productions. We are hearing a mixed bag on that. Some are absolutely still around and want to be part of this industry. Others, the ones who maybe just put in a small amount of money, are obviously struggling themselves and may be less willing. The number one issue we are hearing consistently from all of those through to producers is the issue around insurance and liability, on which we are also working very closely.



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People are saying, "How can I put money into something if there is no insurance backing it?"

One of our asks of Government is to work with us more on how we can ensure that the insurance industry writes the correct cover for our sector so that we do not suddenly have to go dark and that there would be insurance to cover it, in a way that there has not been for a lot of theatres when they were closed by the Government.

The second thing I would just mention is philanthropy. We are hearing from some of the major trusts that fund the sector that they are very concerned about the future, concerned that when there is less public money, particularly from local authorities, those major trusts will be asked to fill the gap. They are incredibly worried about what that means for the philanthropy and the charity sector. We think that, once again, the cultural investment participation scheme provides a bedrock of support from the Government. From those we have talked to, we believe major philanthropists would want to come in on the back of that. We believe it works on that scale as well.

**Giles Watling:** That is very interesting, thank you. I think your insurance liability point is a good point well made. We can bring that up later in this session.

Q296 **Kevin Brennan:** Thanks for joining us, Julian. Has Christmas been cancelled this year?

**Julian Bird:** I very much hope not. To state the obvious, Christmas is absolutely essential for theatres. It is the time when most theatres are at their maximum capacity: pantomimes, Christmas musicals, Christmas shows. It is also the lifeblood for most theatres across the country annually. It is the time when they have more audiences in and when they can make profit that they use later in the year for other productions and for all that community education work.

Q297 **Kevin Brennan:** One reason I ask you, Julian, is because I know the Wales Millennium Centre in Cardiff, which I know you are very familiar with, is one of those types of theatres that receives touring productions and would have been hoping, I think, for *Phantom of the Opera* this year, which would have been its Christmas show. Can you describe for the Committee what has happened to such organisations as a result of the current lockdown, which already means they know well in advance that they are not going to be able to reopen, whatever the rules? Can you explain that to the Committee?

**Julian Bird:** Something like Wales Millennium Centre is a great example. Birmingham Hippodrome, which Mr Knight started with, is in a similar position. These are what we might call major receiving houses. They produce not much work themselves, but they receive visiting productions. Obviously, as this time has gone on, lots of those visiting productions have gone away. The tours are not happening because there are no theatres for them to go to. Something like *Phantom of the Opera* has had



to take the decision to cancel that tour for the moment. Therefore that means that, even if Wales Millennium could open at Christmas, it now does not have a production, which is leading to pressure on venues across the country to make decisions for the next period, for the rest of this year and into 2021. Those receiving houses have additional pressures. They are not in control of the product that is on their stages at all times.

**Q298 Kevin Brennan:** Is there any hope for panto this year, and can you explain to the Committee why that is an important question, not a frivolous one?

**Julian Bird:** Pantomime is genuinely the number one time of year when people go to the theatre. They go in multigenerational family groupings. Our theatres are full. It is those children's first-ever exposure to the theatre. It was mine: *Aladdin*, Cilla Black at Wimbledon Theatre. I was three, and I can remember it vividly. It is the time when most people go. It is the time when theatres, being blunt, make the most profit, and that profit they need for the rest of the year to invest in everything they do and all the other types of productions. It is vital in terms of families, it is vital in terms of the community and it is vital economically for each theatre.

Do I think it is cancelled yet? I very much hope not, but we have been very clear with the Government. The sector needs understanding around the support that might be available to it, and we need that in a timely fashion because most theatres have to make a decision about their Christmas production by early August. That is the deadline for most of them to make the decision. The decision to get the production up and running is around then, so time is very short.

**Q299 Kevin Brennan:** Just to make that point further, what is the percentage of revenues across the piece that theatres normally get out of their Christmas productions?

**Julian Bird:** It will vary, and of course you have theatres that produce their own Christmas shows. You have those that are put on by visiting producers. A large proportion of the weekly profit after costs can come in only five or six weeks at Christmas, but that might—

**Q300 Kevin Brennan:** Might it be around 40%, something like that?

**Julian Bird:** It genuinely varies. For some it will be more than that; for some it will be less. Remember, some theatres run pantomimes for nine or 10 weeks. It is a huge part of their work through the year. For those, obviously, it would be higher than 40%, but I would not demur from your statistic at all.

**Q301 Kevin Brennan:** Can I just ask you about the theatre tax relief? A lot of people are not very familiar with this. I think it has been operating since about 2014. Could you explain to the Committee what it is and, basically, how the Government might use it as a way of helping the sector through



this?

**Julian Bird:** The theatre production tax relief works in a not dissimilar way to the film and television creative industry reliefs in that it gives you a relief on the upfront costs of putting on a production, not your running costs, but the costs up to your first public performance. If it is a production in just one place, it gives you 20% relief. If you tour it, it gives you 25% relief. You only get the relief if you are producing something. If you are having economic activity in our business, you can claim it, which is why we think it is a perfect vehicle to increase those percentages from 20% and 25%. For a two or three-year period, it would incentivise more activity, but it would also encourage investors, angels and people to come back when they leave.

Q302 **Kevin Brennan:** In a sense, it is a research and development support to the creative industries, isn't it, a concept we are perhaps more used to in nuts and bolts types of industries? In creative industries, would you agree it is something that could be developed further to be of assistance?

**Julian Bird:** Very much, and we have put forward some proposals in our documentation to DCMS at the moment. You could change some of the ways the percentage works. We have seen these changes already happen. Some changes have already been made to similar reliefs in France and Spain, very successfully and very swiftly, even accounting for state aid rules. They have been changed. We believe they could be changed here very quickly as well.

Q303 **Kevin Brennan:** UK Theatre represents the London theatres, the West End, which you talked about, but also all these community theatres and regional theatres around the UK. The Chair hinted at the beginning about the possibility that there could be very large numbers of closures if we are not careful. Could you briefly say something about why, perhaps particularly now, it is so culturally important that we do not lose these cultural assets because of this crisis, not because they are not viable in the long term, and what their contribution is?

**Julian Bird:** The Committee may be interested to know that there are just under 1,100 theatre buildings in the UK. I quite like comparisons. That is around the same number as Asda and Morrisons stores combined. This is a huge number around the UK, 290,000 people. As you say, of those roughly 1,100, just over 50% are charities or trusts. Then, of course, there are some big commercial players, and then you have ones owned by schools and local authorities as well. I say that to give you an indication that these are genuinely all over the UK. They are in every town, village and area. To state the obvious, theatres are at the heart of communities. That is what they are. When people ring me and contact me at the moment, they are talking about the theatre being "part of their place." I do not think we should underestimate, if they go away, what that means for the future of our country.



I said “world-leading” earlier. This is an area in which we lead the world, and what we are trying to do is ensure that we can continue to lead the world over the coming years as well. It is about community, it is about outreach, it is about what theatre can teach us and it is about what a theatre can do in a community in its broadest sense.

**Q304 Steve Brine:** They are more fun than Asda and Morrisons. Can I just ask about the public in this? A lot of theatres have recognised a figure that probably 80% of their turnover is trading, and obviously closure is killing you, but social distancing threatens to plunge the knife right in, doesn't it? Ultimately, even if it is 1 metre, that is not going to change things greatly, as the Chair explored with you.

I was just looking at the Culture Counts “After the Interval” survey. It was quite a sizeable number of people, and it asked them when they would feel safe going back. “I can envisage a period when venues will be open again, but, if advised to, I will stay away”, 52% agreed with that. “I can envisage a period when venues will be open again, but I prefer to stay away from large gatherings”, 28% agreed with that. How do you as an industry, even after it is declared safe, get people to want to come back?

**Julian Bird:** It is a real challenge, isn't it? It is a challenge not just for our industry but for others. We have audience research groups both in London and in the rest of the UK, and the interesting thing is how those statistics change over time. We have already seen some shift in those figures. If we look at around a month ago, 80% of people were not interested in going to a theatre at all.

We are seeing some shift as the rest of the economy starts to open, but we know we will have a major role—back to the role that theatres play in communities—to make communities feel safe coming into buildings, coming into public buildings like theatres, that they feel safe to sit there, that they feel safe to participate in participatory activities. That is not going to be easy, and no one would pretend it is. We have the issue around tourism being very low for a long period of time, and we have the issue around people feeling safe and secure. We believe we can do a lot with our communities around that, but it is going to be a challenge.

**Q305 Steve Brine:** I represent Winchester, and we have the Hat Fair, which is one of the oldest street festivals in the world. Might the outdoor theatre experience be low-hanging fruit to save this sector?

**Julian Bird:** It might well be. I am not a scientist, but in talking with the scientists and the aerobiologists, what they described to me is the difference between different types of open-air theatre and, therefore, the way wind and things distribute viruses and stuff in a place. I think that is one of the reasons why stadiums effectively operate a little bit like indoor buildings but with an open top, whereas if you are sitting in a completely open environment, like you are describing in Winchester or maybe the Minack Theatre in Cornwall, where you are sitting on a cliff, then



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obviously wind operates in a completely different way. Yes, open-air theatre—and there are some great open-air theatres in our country—may well have an opportunity.

The majority of those have already had to take a decision about the summer, of course. We are already in the summer. That is the period in which they open. They have already had to take a decision not to operate, in the main, this season, but clearly open-air activity is one of the trials and one of the things that different people are looking at. Once again, of course, we are almost through the summer, aren't we? In one sense, that will not help us come the autumn or the winter, when we want those 1,100 theatres across the country to try to get back into operation.

**Chair:** Julian, thank you for your evidence today.

I am now going to call our second witness, Horace Trubridge, the General Secretary of the Musicians' Union. Good morning, Horace.

**Horace Trubridge:** Good morning.

Q306 **Kevin Brennan:** Good morning, Horace, and welcome to the Committee. Can you tell us how this whole Covid-19 crisis has affected musicians, as you are their workforce representative?

**Horace Trubridge:** All the work—and I am talking about live work, studio work, orchestras, everything—just fell off a cliff. It all disappeared. Members have had no income whatsoever from work since the middle of March, and it has had a devastating effect on the profession. We know that many of our members, up to maybe more than 20%, think they are not going to be able to stay in the profession if this continues for too long.

This is another point that I want to make. Our wonderful industry is so dependent on audiences, and we cannot see a point at the moment where we will be able to put an audience in a venue to see a live performance for quite some time. We are very different from other areas of the economy, which are all poised to step forward and resume their activities. Our industry is not like that. I think that has been recognised in other countries, where they have set up cultural funds to make sure that they do not lose the arts and culture that are so valuable to them and that are, at the moment, in a really precarious state.

Q307 **Kevin Brennan:** The schemes that the Government have come up with, like the self-employed income support scheme, the furloughing scheme, how valuable have they been to your members? Where are the gaps?

**Horace Trubridge:** The self-employed income support scheme was a real lifeline for a lot of our members, and the job retention scheme has been useful as well—some members of orchestras have been able to be furloughed. What we are asking the Government for is an extension on both those schemes for our sector. It is essential that those schemes



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continue in order to keep these people in the profession but, as you rightly point out, when we surveyed our members, there was a very high percentage, nearly 40%, who said they did not qualify for either scheme.

Let me give you an example. A lot of our members teach for local authorities or hubs, but they are on the equivalent of zero-hours contracts. They make up their income over the course of the year by playing some live gigs or creating some shows or whatever, but that does not amount to 50% of their overall income. Because they are on the zero-hours contracts for their PAYE work, their salaried work, they cannot be furloughed, and because they earn less than 50% of their overall income from their gigs, they cannot qualify for the SEISS either.

There was a news item today on the BBC about Help Musicians UK, which has been bailing out members and musicians who were in dire need of finance, but it is running out of money. The union is running out of money. We have put £1 million into a hardship fund. That is pretty much gone. We need a cultural fund set up, as they have done in Germany, New Zealand and lots of other countries, where they have stepped in and said, "This is really important. We need to maintain this." Our position on the world stage is envied all around the world for the size of this country, but we will not retain it unless we can keep these people in the profession.

**Q308 Kevin Brennan:** The self-employed scheme is due to run out after August. Presumably what you would like to see is a more sector-specific approach to this, given the possibility of people getting back to performing live. Rather like theatre, people have been putting on streaming shows, and so on, and in the past people would have said musicians could make some money from recording. Can you explain to the Committee why live is so important and why recorded music is perhaps no longer the money it was, if I dare say this, Horace, in your day?

**Horace Trubridge:** No, you are quite right. We have had a complete reversal. When I was in a band, you worked live to promote your records and you made money out of your record royalties. We have the complete opposite now. Artists go into the studios and make albums that get streamed, which enables them to sell tickets for festivals and gigs.

There is a fundamental problem with the relationship between artists, record labels and streaming platforms. Bands we listen to on 6 Music, who are quite well known to us and who can go and play a festival for £10,000, £15,000 or maybe £20,000 for one gig, are having to go cap in hand to the Government for help because they have no money, because the money they are earning through streaming is just not sufficient to pay the bills. There is a fundamental problem there, and we are calling for a full investigation into the streaming model and where the money is going, because it is not finding its way into the pockets of musicians, that is for sure, when the record labels are telling us they are making record profits.



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Going back to the BBC News piece I saw today, you have a drummer called Ralph Salmins, who has worked with all the greats—he is a fantastic drummer, he is a session musician—and he is having to go to Help Musicians UK for money because he is not earning anything. Session musicians do not get a penny extra from streaming. They get money when their music is played on the radio, but they do not get a penny extra from streaming. They just get the original session fee, nothing else. There are a lot of fundamental problems with the business model around streaming. It seems to suit the major record labels, but it is very poor for musicians.

Q309 **Kevin Brennan:** Finally, can I ask you about music venues? What is happening to them during this crisis, and what are the implications of that for the music industry in the UK and for musicians?

**Horace Trubridge:** As Julian said about theatres, we have the same problem with music venues. They are struggling. The Music Venue Trust has done a very good job in trying to support venues to keep them alive. At the end of the day, a lot of these venues are in city centres, in prime real estate, and if they cannot continue to make the money that keeps the doors open, their landlords will be thinking about doing something else with the properties. We could very easily lose half the music venues we have in the UK during this crisis if there is not more permanent support for them.

Q310 **Kevin Brennan:** As we talked about R&D earlier, they are basically the R&D of the music industry in a sense, aren't they? Could you just describe how that is the case?

**Horace Trubridge:** The record labels are worried about the venues. They have to be, because that is where the new talent comes from. This is the breeding ground, the nursery, for the talent of tomorrow. If they are not functioning, we have a real hiatus in the traffic of artists from the bedroom to the venue to the record deal to the festival stage at Glastonbury. That is the road that we want to see artists go on. Right now, we have great big chunks of it missing.

Q311 **Damian Hinds:** Horace, we were speaking earlier about theatres and the difference between a 1-metre and 2-metre social distancing rule and what that does to capacities and, therefore, the ability to clear fixed costs. Is there any version of social distancing that you think would work in live music venues?

**Horace Trubridge:** I have to emphasise, first of all, that the safety and wellbeing of my members is the paramount consideration. That has to be, and also, of course, of audiences. I have recently been talking about the 2-metre social distancing measure, because in France and Italy they have decided it is a metre; the World Health Organisation says it is a metre. In recording studios, if you have a string section, for instance, and the string section are wearing masks and they have Perspex screens between them, is it necessary to have 2 metres? That is the question I am asking



the Government's health expert. Safety has to be the overriding consideration, but if it were safe to have a slightly smaller distance between these musicians, we could get more musicians into the studio and we could potentially get more musicians on the concert platform. That is why these questions are being asked.

As for audiences in grassroots music venues, the 2-metre rule does not work. The metre rule does not work, either. It is a real problem. We are looking at possibly finding a way of doing some kind of outdoor pop-up gigs if we can get local authorities and the police to relax some of the busking laws that they have at the moment. That is the sort of thing that we think might be possible, or even drive-in gigs or something like that, but it is a desperate situation for live music. It really is.

When I think back to the MU's logo and slogan, "Keep music live", we never ever imagined that something like this, so catastrophic, could come along that would kill live music for a period of time. It is a terrible situation for my members.

**Q312 Damian Hinds:** Just to be clear, with grassroots venues, standing venues, you cannot practically enforce social distancing. Even with all-seated venues, is there a version of social distancing that works economically? Obviously you cannot generalise to every single venue. As we discussed with theatres, they are going to have different physical structures and cost structures, but realistically, in a world of social distancing, whether the rule is 2 metres or 1 metre, is it viable to have live music events going on indoors?

**Horace Trubridge:** I think the economic model will not allow it, to be honest with you. You need to sell 70% or 80% of the tickets just to break even on these gigs. I do not see it being a viable alternative. It is an awful thing to have to say, and I hate having to ask for money, but our sector must have financial support from the Government if it is going to survive in any shape or form.

**Q313 Damian Hinds:** Those tours that have been cancelled or postponed, how much notice would they need to get back on the road?

**Horace Trubridge:** Yes, that is another very good question. These things do not happen overnight. You are probably looking at at least a three-month lead-in for planning a string of gigs. In terms of putting on a tour, of course if you want to go outside the UK, where are we going to be at the end of the year with Brexit? That obviously has an impact on the MU members and their ability to tour in Europe. You need a long lead-in, particularly, as I say, if you are going abroad and you have to apply for visas and that kind of thing. Three months is an absolute minimum.

**Q314 Damian Hinds:** Finally from me—and it may be quite a complex question—just following on from what you were talking about with Kevin on streaming, I know you have this inquiry coming up, but what is your



sense? What would a fair and sustainable formula look like for a fair return for everybody involved on these new platforms?

**Horace Trubridge:** I am principally talking about the major record labels here, because there are some large independents in the UK who play very fair indeed. What I want you to consider is the amount of streaming of back catalogue, catalogue that was made and contracted by the record labels in an analogue era before we knew about streaming. The royalty rates for those artists are built around a physical model where record companies had to manufacture CDs, distribute them, transport them, store them and then bring them back out of the shops if they did not sell. There is a lot of cost in there, a lot of cost. Streaming means they do not have any of those costs, yet the artists on the back catalogue stuff are still on the same royalty rate, if they are receiving anything at all. If they did not pay back the advance that the record label made to them in the first instance, they are not receiving anything and the labels are keeping all that money. I think there is a fair amount of money from back catalogue that is not being distributed, that is being kept by the labels.

With artists signing deals now, at least they know what the finance models are, where their money is going to come from and they should be able to negotiate fairly decent deals. They still are not receiving anything like what they were receiving from physical out of streaming, so there is a fundamental problem with the model itself in terms of sustaining musicians in the profession. That is why we want a full inquiry. This is not the time to be asking Spotify to put its price up, but is that a realistic price? When you think of the millions and millions of tracks you have to listen to for £9.99 a month, whereas if you want to watch millions and millions of TV shows and films, you have to have accounts with Netflix, Amazon, NOW TV, Sky, whatever, and that adds up. We want answers to these questions and we want to know where the money is going, because it is not going to musicians.

Q315 **Clive Efford:** What fears do you have for the next generation of musicians coming into the industry as a consequence of what has been going on in this crisis?

**Horace Trubridge:** The problem is that, for some time now, music has been something you do because you love it. You invest so many years into learning your craft and becoming really good at what you do, but the rewards are so low. Most of my members are receiving less than £20,000 a year from music, so they are having to do other things. I know some very good musicians who are also extremely good at tiling bathrooms or driving cabs or whatever, because they have to supplement their income in other ways, and I think that is a shame.

There has been a general downgrading of music as a profession over many years, and it should be up there with doctors, accountants and lawyers. That is where it should be, and they should be enjoying those kinds of financial rewards. Unfortunately, successive Governments have decided, "Well, they enjoy what they are doing, so they do need to be



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paid too much." My answer to that is, "The next time you hear your plumber whistling a happy tune, tell him he does not need to be paid so much," and see how far that gets you. We have reached a crisis in our industry, we really have, and we need Government help. The Government have to step in and help us, or we will never be able to retain our position on the world stage music-wise.

**Q316 Clive Efford:** Is there any evidence that, for instance, music graduates are being disheartened by the current situation and are looking to careers elsewhere? Is there anything suggesting that that is going on?

**Horace Trubridge:** As I say, we surveyed our members. We had 1,500 responses, and 20% of them did not think they would be able to stay in the industry. We have some extremely attractive membership offers in terms of joining for first-time joiners, graduates and people in full-time study. What tends to happen to musicians is that they drift towards teaching, because it is a reliable source of income. Pretty much all of that has disappeared, apart from those of my members who have private teaching arrangements, where they have been able to do it through Zoom or Skype or whatever. The local authorities and the hubs have just said, "No, we do not need you" so they cannot even be furloughed. As I say, it is a real problem.

**Q317 Clive Efford:** Could I just ask you about touring? Government have started their 14-day quarantine. What are the implications of that for the music industry, for tours going abroad and for tours that may want to come here in the near future?

**Horace Trubridge:** It is not viable. It is simply not viable, I am afraid. If a five-piece band goes abroad, you are talking about probably 15 or 16 people if you add in the tour manager, the road crew, drivers and so on. If you are talking about quarantining them all for two weeks when you come back, economically it is just not going to work.

The thing about our industry is that performing live abroad depends so much on the pre-Brexit situation, where it was so easy. You could travel around Europe; you could do two weeks in Europe. This is something else that typifies our profession, which is not like other professions. If you are a builder or an engineer and you go abroad to work, you just work in one place very often, but a musician will say, "We are going to do three gigs in France, a couple of gigs in Germany and we will finish off with some gigs in Italy," and you do that all in two weeks. Travelling around those countries and then dealing with the quarantine situation, as well as the visa situation, will knock a great big hole in the finance.

**Q318 Clive Efford:** You have spoken powerfully about the need for a specific fund, and other countries have stepped up to the plate on that—Germany, most notably, with quite a sizeable fund. Just very briefly, could you give us a flavour of what your priorities would be for that fund? What would be the specific issues that you feel would need to be addressed?



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**Horace Trubridge:** The model that Germany has produced is a very good one. My understanding is it has put something like €1 billion into a cultural fund and it is targeting certain areas. €150 million of that is being used for live grassroots music venues to keep them alive and to support them. This is what I think we need to do in the UK. Julian's sector is very badly hit; the grassroots live music sector is very badly hit. The orchestras are in a precarious situation, with years and years of underfunding the orchestras.

I want to make the point as well that somebody talked about outreach earlier. Our wonderful orchestras around the UK do masses of outreach work normally. They are in care homes, they are in schools, they are in prisons, they are in all sorts of different hospital settings helping patients. The Bournemouth Symphony Orchestra reduced the reliance on drugs by dementia patients by about 20% through its outreach work. All of that stuff has stopped. That is a great loss to society, not just to the music world, the fact that the orchestras cannot operate at the moment. Yes, a fund that is sizeable enough so that we could apportion money to different sectors and make sure we retain them. Music is worth £5.2 billion to the economy every year, and I think the Chancellor needs to bear that in mind.

**Chair:** Thank you for your evidence today, Horace.

**Horace Trubridge:** You are welcome.

**Chair:** I am going to call our third witness now, Caroline Norbury MBE, the Creative Industries Federation. Good morning, Caroline.

**Caroline Norbury:** Hello.

Q319 **Chair:** Good morning. Thank you for joining us today. My first question is probably a simple one. What are the barriers to reopening facing the creative industries?

**Caroline Norbury:** One of the things we need to be clear about with the creative industries is that we have spent a lot of time this morning focusing on some very specific areas like theatre and music, but the creative industries as a sector is huge and very diverse. It turns over just under £112 billion a year, so there are a variety of issues in terms of the different subsectors. I would say the specific challenge is how you design getting back to work for so many variables. We are not good, I do not think, at coming up with flexible responses.

If we are looking at, for example, something like the self-employed issue that both Horace and Julian touched upon, we see a whole range of people who have not been provided for within that measure, simply because the business models are so very specific to each different sector. I do not know whether you are working in film or television or music. The big message overall, in terms of returning to work, is that one size is not going to fit all. When that comes to measures such as social distancing—we have heard quite a lot of evidence this morning in terms of how that



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might work and how it cannot work—similarly we are going to need to see the same in terms of reduction of support.

One of the things we would be asking is for Government to consider some sort of nuance in things like the job retention scheme. For example, taking into consideration the points raised by both Horace and Julian earlier, their sectors are going to need probably about three months to get up and running again. That is perhaps not the same as other parts of the sector that might be more focused on retail, but we are already seeing that those parts of the creative industries that have not suffered as immediately, such as games and visual effects, have not at the moment had a huge challenge, but they will have a challenge.

We are seeing in the visual effects industry, for example, that they have been working fine in the last three to four months because they have had content, but what they are looking at now is that all of their pipeline has dried up. They are not going to be able to furlough their staff in time, so they are not going to be able to take advantage of the various measures that are already available. It is very difficult to give you a pithy answer, other than flexibility is going to be required.

**Q320 Chair:** You are touching on downstream consequences, that it is not just about the here and now, that many within the sector are going to face challenges several months hence. When the rest of the economy is starting to gear back up, they are going to find that there is a black spot, so to speak, in terms of their creative output, caused by the fact that they have not been able to do anything over the last few months. Is that a fair interpretation?

**Caroline Norbury:** That is a very accurate description. The other point I would make is that, again, we are talking about those parts of the creative industries that are perhaps most recognisable in terms of theatre and music. We value those for their intrinsicness, for the intrinsic value that they bring. All those characteristics of the creative industries have all sorts of commercial applications further along the line. What happens to theatre, to performers, matters when it comes to those other parts of our industry that turn over huge revenues. They matter to other parts of other businesses and other industrial sectors.

Look at something like JLR and how it involves designers in the making of its dashboards, for example. We had a very interesting dinner just before lockdown with the Royal Society, where we found that we had a whole range of Nobel-winning scientists all talking far more passionately about the importance of creativity within their discipline than perhaps some of our creative entrepreneurs. I think it is important to think not just about the impact on the creative industries sector, but about the impact on our economy as a whole.

**Q321 Chair:** Do you think the Treasury understands your sector, understands the diversity of it and understands the unique challenges?



**Caroline Norbury:** The Treasury has been incredibly accommodating in reaching out and engaging in the dialogue, but there is an awful lot more to be learned about the complexity of the sector. We know that Government wants simple messages, and I would love to give you a simple message, but unfortunately we are unable to give you a simple message because of that diversity. The creative industries are very atomised. You might say that the supply chain, for example, in aerospace or in car manufacturing is also diverse, and it is, but all those things add up to building a plane or building a car. In the creative industries you do not have that, everybody is not around one end product, but the skills that you use and the competencies that are needed are incredibly important in all other aspects of the economy.

We have to have a more sophisticated conversation about how you bring together the atomised businesses, and that conversation is important not just for the creative industries. It is the way an awful lot of other business sectors are going as well.

Q322 **Chair:** That is quite a full answer. People from BAME backgrounds or working-class backgrounds are often unrepresented or underrepresented in creative industries. How do we ensure that this crisis does not damage the drive for greater diversity within creative industries?

**Caroline Norbury:** That is a pertinent question right now. Before joining your session this morning, I chaired a breakfast with some of our leading creative businesspeople. The creative industries have worked hard to address the issue of diversity and inclusion, but there is still a huge way to go.

One of the concerns raised at the meeting of our business leaders this morning was that when businesses are in trouble, they tend to focus on core business. There is a real danger that the attention we have put into diversity and inclusion measures will suffer as a result. The research that the Creative Industries Federation undertook showed that those people who were most affected by the lockdown are typically young people, people early in their careers and people at lower pay levels. We also know that those tend to be the more diverse aspects of the creative industries.

We need to be on the front foot to make sure that we do not let diversity and inclusion become a nice to have. For simple business reasons, they have to be central. The creative industries have a global market opportunity. If we are to take advantage of that, we need a workforce that is diverse and can understand what it means to work in a global market. It is a central business challenge as much as a moral obligation.

Q323 **Damian Green:** This debate has largely taken place in economic terms and, indeed, the first fact you brought forward this morning was about the size of the sector's contribution to GDP. But the creative industries have a wider societal benefit in terms of education and general wellbeing, particularly at the moment. Do you get the impression that the



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Government in any way recognises that wider benefit of all the things the creative industries do?

**Caroline Norbury:** Definitely. In our calls with Ministers and Secretaries of State, they acknowledge that point. We have certainly seen in terms of how artists have responded to everything, from crowdsourcing bands to drawing rainbows to put in our windows, that the public absolutely believe that. However, we do not have an awful lot of hard evidence. Whether it comes to making any sort of policy impact or whether it comes to a discussion around what that might look like in terms of a fiscal intervention, we have some evidence but we do not have sufficient evidence to measure that and track it over time.

Q324 **Damian Green:** I appreciate it must be difficult to gather evidence in hard cash terms, but are you making the pitch to Government that there is a wider benefit here and, even if you cannot quote Treasury statistics, it is worth using the creative industries, because of those public benefits, in a way that would help all the various sectors? Are you making that pitch?

**Caroline Norbury:** Absolutely. We have always made two key points. The creative industries generate an awful lot of economic value for this country and employ a lot of people. Equally, they are the life and soul of who we are. We know, for example, that some of the trials around social prescribing, where arts have been used rather than antidepressants, have had a massive impact. The challenge is that nice words and anecdotal evidence do not seem to make an impact on policy. My ask to those of you on the Committee who are supportive of this would be to provide us with some help and support in making that case to Treasury.

Q325 **Damian Green:** In talking about the support that is there, the Arts Council has been providing emergency funding. How effective has that been?

**Caroline Norbury:** They acted incredibly swiftly but, in truth, it is a drop in the ocean. I know they are doing an awful lot of work to look at what the impact is going to be. The Creative Industries Federation commissioned a piece of work from Oxford Economics to look at the sector's impact on GVA quarter by quarter. We are crunching the numbers at the moment, and we will hopefully have something more firm to say next week, but in brief the top lines show us that the creative industries sector is projected to be hit twice as hard as the wider economy in terms of GVA. We are looking at the sector losing about a third of its revenue and maybe half its workforce.

The amount of money the Arts Council has been able to put forward is £160 million—admittedly, that will be for a particular part of the sector—and is very small beer. Both Horace and Julian have talked about Germany, for example, which overall is about €1 billion. In particular, what is important about the German example for MPs to be thoughtful about is that the types of funding are flexible. Yes, there is a wedge of



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money to support the arts, but there is also funding to support small and medium enterprises. The creative industries are a mixed economy, and they operates closely between the subsidised sector and the commercial sector. The ability to have funds that bring those things together and provide more long-term stability to those businesses is perhaps the facility that we need to be thinking about.

**Q326 Damian Green:** Are you going to put that German model to Ministers? Clearly you want more money, and the Germans have provided more money than the UK Government have, but do you think there is flexibility missing in the UK response?

**Caroline Norbury:** Yes, absolutely. That was perhaps my first answer, which was in terms of how we get out of this. One of the first things we have to recognise is that one size does not fit all. That is about flexibility of response, whether it is around lifting measures or around introducing new types of funds.

One of the real impacts is going to be on our future workforce. Here is a straightforward and clear example. Apprenticeships are important for bringing new people into the industry and also upskilling and reskilling the industry. Apprenticeships work much better in very big companies. We do not have many big companies; we have lots of little companies. Those companies could work together to support apprenticeships, but at the moment they cannot. There are not models within the apprenticeship model that allow them to do that.

We are making a plea to the Government to allow us to design our own flexibility. A publishing model might be different from a theatre model or a video game model, but flexibility is the key to it all.

**Q327 Giles Watling:** You touched on the Arts Council's emergency funding. How successful has what they have done so far been?

**Caroline Norbury:** The primary focus for the Arts Council funding is to secure and sustain its portfolio of organisations that are supported. Given the size of the ask, it has done incredibly well to turn it around so quickly and to bring forward that funding. The challenge is that it is a very small part of the spectrum. Those organisations that perhaps will benefit from that funding might be one case, but those organisations are part of an ecosystem of a lot of other players. There are a lot of smaller organisations that will not have anything.

I do not know if you saw the publication yesterday of the Arts Index and the piece Samuel West wrote about that. Over the last 10 years there has been a decline of between 30% and 40% in funding from both national and local players. There are lots of smaller organisations, particularly those in parts of the country to which the levelling-up agenda applies most, where those local authority cuts have had a real impact on the arts sector. It is difficult to take what the Arts Council is able to do without



taking account of the much broader context of what that ecosystem looks like.

Q328 **Giles Watling:** Would it be fair to say that, fundamentally, the emergency fund, within its own parameters, does not go beyond that and therefore is not broad enough? Is that the issue?

**Caroline Norbury:** Very simply, there is not enough money. Similar to my point previously, what money there is cannot be used as flexibly as one might like. We need to reach much further than we are doing.

Q329 **Giles Watling:** Flexibility is the watchword then. Going forward, what would a stability plan look like for the future as we come out of this lockdown?

**Caroline Norbury:** We have to have a national partnership. We have not talked about what Scotland, Wales and Northern Ireland are doing. It is clear that they are able to bring in sector-specific support—which is also happening in other European countries—in a way that we have not here in this country. In the creative industries, lots of the businesses span the gamut of departmental responsibilities between DCMS and BEIS. We are always told that there cannot be specialist sector support, whereas that is absolutely needed. That is a definite plea.

The other point I would make is around national cohesion. We are doing quite a lot of work to make sure that we are connecting to the combined authorities, the local enterprise partnerships and so on. They have resources. For some, the creative industries and the arts are a core priority. For many, they are not. Many businesses do not know that the grants available through the local enterprise partnerships, for example, might be applicable to them. We need to get much better at joining all these things up and all coming together.

The central point I made right at the beginning is that the creative industries are not just good for us as vertical sectors; they are good for the economy overall and they are good for our communities overall. That is why they need a real creative coalition of all those partners.

Q330 **Giles Watling:** It is understandable that LEPs, of course, look at their own areas and would invest in their own areas, but are you saying, fundamentally, not to be piecemeal and to look at it holistically?

**Caroline Norbury:** Absolutely.

**Chair:** Thank you, Caroline Norbury, for your evidence today. We are now going to take a short break as we set up our second panel. Members of the Committee, please stay on the line.

### Examination of witnesses

Witnesses: Caroline Dinenage, Emma Squire and David Knot

Q331 **Chair:** This is the second panel of the Digital, Culture, Media and Sport



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Select Committee's hearing on the impact of Covid-19 on DCMS sectors, particularly the creative industries. On the second panel we are joined by Caroline Dinenage, Minister for Digital and Culture; David Knott, Director, Office for Civil Society; and Emma Squire, Director, Covid-19 Economic Response and Arts, Heritage and Tourism at the Department for Digital, Culture, Media and Sport. Caroline, David and Emma, thank you very much for joining us today.

We are going to break for a moment's silence at 11 am in memory of George Floyd, but I will ask Caroline a couple of questions before we get to that point. I may have to interject nearer to 11 am.

Caroline, the case seems clear for a specific recovery plan in the creative sectors. What conversations is the Department having on this with the Treasury, and how do you think it will play out?

**Caroline Dinenage:** Good morning, Chair. Good morning, Committee. It is a great pleasure to see you all this morning, albeit remotely. You are absolutely right. You have heard evidence today from a number of people from across the different sectors, all of whom have been brilliant over this period at speeding information into the Government and giving us the data we need to make the case to Treasury. Those conversations are ongoing, and we are talking about a range of different financial measures. You will have heard some of them being discussed over the weekend. Sam Mendes was on a lot of our broadcast and print media over the weekend talking about some of the ideas that are being circulated. These are the conversations we are having with Treasury right now.

Q332 **Chair:** How do you think those will resolve? What are your asks at this stage in terms of the extra help that is needed for the creative sector? We have had suggestions from theatre about boosting theatre tax relief, and we have had suggestions from musicians and the creative sector more generally. What are your specific asks of Treasury right now?

**Caroline Dinenage:** I am clear that this is such an important contributor to the British economy. We have heard the figures and how much music, creative industries and theatres give to our economy, and how many jobs they create. More broadly than that, it is about who we are as a country. Our creative and cultural background is what makes us British. It is our calling card around the world, it is what we are known for. Not only that, it drives wellbeing and a sense of common identity across our country. On so many levels, it is important we do what we can.

We are putting together for Treasury a bid where we look at three things: rescue, recovery and renewal. It is rescuing those who are in dire straits, recovering the sector more broadly and then looking at how we move forward into the future and are able to face those future challenges. That is where we are at the moment.



With regard to how, we are looking at some excellent suggestions and we are thrashing out with the Treasury right now which will work, which can be delivered at pace and which can be delivered without massive overheads. You have heard about Sam Mendes's idea, which Julian also spoke about, of the Government acting as a financial backer, almost producers, rather than giving bailouts. You have heard about tax breaks, tax relief and of course grants. They are things we are looking at.

**Q333 Chair:** When can we expect a package of measures to be announced?

**Caroline Dinénage:** I wish that it was in my gift to tell you. It is now with our colleagues in Treasury. Today you have heard evidence from across the sector that says time is not on our side. We have already, sadly, lost a couple of theatres. We know there are some aspects of the sector that were facing big financial problems before we even started, so we have to take that into consideration, but I am not prepared to sit by and watch parts of this sector disappear without putting up a strong fight to protect them.

**Q334 Chair:** Is the Treasury willing to stand by? I read with interest Secretary of State Oliver Dowden's interview with the *Evening Standard*, in which he was asked if he thinks the Treasury gets the creative sector. He did not answer the question, so I am asking you. Does the Treasury get the creative sector?

**Caroline Dinénage:** We have had very positive conversations with the Treasury and extremely positive conversations with No. 10 so far. I have been meeting weekly with different groups across the sectors I represent from the beginning of this outbreak. Once a week I have six different roundtable calls with creative industries, museums and galleries, arts and culture, theatres, libraries and so on. Because those meetings are attended by so many people—over 120 people and organisations have taken part in some of these meetings—we have been able to feed lots of information into the Treasury, and largely it has responded.

From day one, there was not anything for self-employed people. There were instructions from the Government that made theatres shut, which meant they could not claim on their insurance. The CBILS business loans were not working for a lot of our industry. You have seen that the self-employed income support and the bounce-back loan scheme have come forward. Even right at the beginning, the instruction to shut public venues so that organisations could claim on their insurance where they had it. These have all been the Treasury responding fast, at pace, to very real concerns, worries and the urgent crisis that we had at the heart of the sectors we represent.

**Q335 Chair:** We have heard today from theatres and the impact of social distancing on their businesses. It does not work for them. We heard from Visit Britain, who said that 90% of inbound tourism will be lost if the quarantine of 14 days is maintained. Is this highly questionable policy of quarantine at this juncture, rather than in say February or March, worth



the gamble and the economic self-harm to these industries in particular?

**Caroline Dinéage:** There are two things there, Chair. Shall I talk about social distancing and the 1-metre and 2-metre rule, or do you want me to talk about quarantine?

**Chair:** My question is about a bit of both in that respect. We could start with social distancing and then if we could have an answer on quarantine, that would be good. Thank you.

**Caroline Dinéage:** Absolutely no problem. With regard to social distancing you had varying evidence, as we have. The evidence on this is not clear. For example, within the creative industries, I have spoken to a cinema chain that has reopened across Europe. They said that the 1.25-metre or 1.5-metre distancing made all the difference to them, and that at 2 metres they would be able to open only about 25% of their seats, which puts at risk commercial viability around their business. Meanwhile, theatres and live music venues, in which by definition seats are probably closer together because they tend to be older buildings, have said quite clearly—you heard it from Julian today—that it does not make a wild amount of difference whether you go from 2 metres to 1 metre.

Having said that, I have been questioning the Department of Health and Social Care. It is where I used to be the Minister before I came here, so I have been bombarding my former colleagues with some pushing back on this. Clearly we want to keep people safe. The last thing the country needs is a second spike. The last thing we need is to plunge our creative and cultural economy back into more months of misery. The country has done too much and we have sacrificed too much for that, so we have to be led by the science, but I have been interrogating that 2-metre rule. Clearly it works if you are face-to-face, but if you are sitting behind somebody in a theatre, does it have to be the same? If you are sitting slightly diagonally from somebody in a theatre, does it have to be the same? We have been interrogating that with our colleagues in the Department of Health and Social Care, and they have agreed to keep it under review. Clearly the silver bullet here is being able to open properly without any form of social distancing.

With regard to the quarantine, we know and you will have heard evidence from across the sector. We have heard a lot from performers and from film companies that it is going to make it very difficult for them. We feed this information into the Government, the Home Office and the Cabinet Office, which are co-ordinating this work. They are going to be reviewing this policy at three-week intervals, so we will keep feeding in our data and making the case for our industries. This is of course always against the backdrop that we have to be led by the science and we have to make sure we are keeping people in our country safe.

Q336 **Chair:** We will be breaking in a second, but on that point of quarantine, do you understand that 90% of inbound tourism will not happen as a result and we will end up in a situation where theatres and so on, just as



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they need a boost, will not be able to have that boost because there will not be people coming in from outside? Are you making that case strongly enough?

**Caroline Dinéage:** Yes, we are. We have made it clear that particular sectors within DCMS would be particularly affected by this and the economic impact. Being able to get back up and running again, for some of our creative industries, is going to be hampered by it. Clearly we understand that the Government's number one priority is to try to stop the spread of this dreadful virus. We are making the case for our industry against the background of understanding their very real concerns about spreading the virus and a second peak.

**Chair:** Thank you. We are going to take a short break to observe a moment's silence in memory of George Floyd at 11 am. We will be back in a moment or two, and I would ask members to stay on the line.

*One minute's silence was observed.*

Q337 **Kevin Brennan:** Minister, were you involved in choosing the Cultural Renewal Taskforce?

**Caroline Dinéage:** No. The list came to me, but the final decision was made by the Secretary of State and we were able to feed into it. Do not forget that below the Cultural Renewal Taskforce we have all the working groups. There are eight working groups, which—

Q338 **Kevin Brennan:** To be clear on that, you said you were not involved, but then you said you were involved and were able to feed in names that were chosen to be on it. Which is it?

**Caroline Dinéage:** I do apologise. I was involved in the sense that there was a list of names circulated, and then the final decision was made by the Secretary of State.

Q339 **Kevin Brennan:** You were not asked to give any suggestions for who might go on it, as the Minister?

**Caroline Dinéage:** Not that I can recall. I was able to suggest people for the working groups.

Q340 **Kevin Brennan:** Where did the names come from for the Cultural Renewal Taskforce?

**Caroline Dinéage:** I do not know. Can I pass that over to Emma, who will probably know more about it than I do? Is that all right?

**Kevin Brennan:** Very briefly. Perhaps you can tell us, Emma, where the names came from.

**Emma Squire:** Yes. All the people on the Cultural Renewal Taskforce were chosen not specifically to represent their sector but to come, to provide challenge, to make—



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Q341 **Kevin Brennan:** Who chose them? I am trying to find out what the process was and how those names were the ones on the list.

**Emma Squire:** Ultimately they were chosen by Oliver Dowden, Secretary of State, but of course he consulted experts within the Department.

Q342 **Kevin Brennan:** Did the Secretary of State come up with the names himself, or were they punted to him by others?

**Emma Squire:** It was a mix of both.

Q343 **Kevin Brennan:** I see. Can I go back to the Minister? I understand the point about how they were not chosen to represent sectors, but this list has been described—perhaps unfairly to some on the list, because I do know some of them—as a sort of David Cameron dinner party rather than an effective representation of the creative sector and the cultural sector. Why is there no representative at all with experience in commercial music, for example?

**Caroline Dinenage:** It is important that I break down what the two different bits of this system are doing. The Cultural Renewal Taskforce is quite small and is right across all the sectors, everything from—

Q344 **Kevin Brennan:** It is not really, is it? It does not cover commercial music, for example, which I have pointed out.

**Caroline Dinenage:** I am happy to go on and talk about that. It is very small. There is literally one person for sport, one person for broadcast and media, one person for creative industries and so on. Underneath that, the day-to-day work on this happens in the working groups. For example, music is represented on a number of those groups. It is represented on the events and entertainment group that I chair; it is represented on the broadcast and film group that my colleague, John Whittingdale, chairs. It has a very strong voice, as indeed it has had all the way through. I have met weekly with the sectors. Horace has been on a number of my calls and has been brilliant at feeding in information and getting us the data we need.

Q345 **Kevin Brennan:** The Government have given support to various sectors in different ways. The resumption of competitive sport behind closed doors has been agreed with the Government. There is specific guidance provided for archaeology; the conditions for elite athlete training have been agreed; broadcasters have a safer working agreement; rugby league has been given a chunk of money by the Government; a destination management organisations fund has been launched; and there is British Film Commission working safely guidance.

There has been nothing for music. There is no representation on the Cultural Renewal Taskforce from the music industry. Why has music been left out? There are things being done, I can see that. I have been through some of them, so there is no need for you to do that, but why is music left out of this picture?



**Caroline Dinenage:** Music has not been left out. The Cultural Renewal Taskforce is the umbrella body. Every single one of the working groups involves organisations that are putting together the guidance. Every sector will have guidance that will be published shortly, some imminently and some in the next few days and weeks. Those working groups are putting together that guidance. For example, on our taskforce we have the Association of Independent Festivals, the Music Producers Guild, the BPI, the Music Venue Trust, the Musicians' Union and the Association of Independent Music. In addition, we have the Liverpool Philharmonic and the Association of British Orchestras in the music working group, and they are the people who are putting together the guidance.

You have slightly gone down a rabbit hole here, because the role of the Cultural Renewal Taskforce is to compare and contrast that guidance as it comes through from the working groups and to make sure that it works compared with each other. As you would fully expect, sporting venues have some synergies with cultural and—

Q346 **Kevin Brennan:** Indeed they do, and they are often used as music venues. I have made my point, which is that the Cultural Renewal Taskforce is not well placed, with the representation on it, to understand the needs of that particular sector. Also there should have been a bit more clarity about how they were chosen rather than this old-school way of the Secretary of State ringing up all his mates. Anyway, I have made my point.

Can I ask you about something the Secretary of State said in evidence previously when he appeared before the Committee last time around? I was asking about the gaps in support for people in the cultural sector and the creative industries. I am quoting now from his evidence on 22 April, "DCMS has been working to measure the level of creative industries eligibility for Government Covid-19 support schemes. The official data does not allow a full analysis and therefore there has been emphasis on surveys to understand eligibility and access. DCMS is running its own survey with results available shortly." Can you tell us what the results of that survey have been?

**Caroline Dinenage:** What the Secretary of State said is correct. For example, for the self-employed income support scheme, the Treasury figures say that 95% of people who are self-employed are eligible for that support, but we know from within our industries that it is not as much as that. For example, Horace from the Musicians' Union will tell you that it is running at about 38% among the 1,400-odd members they had responses from. That is the data that the Secretary of State was talking about, and then drilling down into that data to figure out what is preventing people being able to access the Government scheme.

Q347 **Kevin Brennan:** I am specifically asking about the DCMS's own survey, rather than the Musicians' Union or other sector surveys that have been carried out, that the Secretary of State told us about on 22 April. Can you tell us about the results of that survey?



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**Caroline Dinanage:** Again, I will pass to Emma. There is not one survey, but each of our sectors within DCMS has been surveying the stakeholders within that group to drill down and find out what the level of issue is and what is causing it. Emma may have more to say on that.

**Emma Squire:** Yes, happily. Each of our arm's-length bodies have been running their own surveys, and then DCMS has done a survey. That is to cover a number of things. It is to cover use of the existing schemes. For example, we know that there have been 2.5 million claims worth £7.2 billion across the creative industries sector for the—

Q348 **Kevin Brennan:** What I was probing last time, Emma, were the gaps. We would like to know as a Committee who is not getting helped. We understand and appreciate that there is a lot of help out there, and the Secretary of State said that the DCMS's own survey would be able to tell us that. That is what I am getting at. Could you tell us what the DCMS's own survey tells us about how many people are not getting helped and where the gaps are?

**Emma Squire:** The main gaps would be around the self-employment income support scheme, where 95% of the self-employed are able to access that scheme and only 5% are not. As Horace from the Musicians' Union set out, people who are on short-term PAYE contracts do fall between the cracks and are not eligible for either the job retention scheme or the self-employment income support scheme. That is an area where we could have dialogue with the trade union.

Q349 **Kevin Brennan:** What does the DCMS think that figure is? When you are talking to the Treasury and they are saying that 95% of people are covered, which nobody believes in terms of this sector, what are you saying the actual figure is for this sector from the survey that the Secretary of State told us was being carried out?

**Emma Squire:** We are sharing all of the evidence we gather through our own survey, and through all of the input from business representative bodies in the sector and our own stakeholders, to get the best possible picture.

Q350 **Kevin Brennan:** I am looking for a straight answer, but perhaps I should go back to the Minister. I should not press you, as an official, in that way. Is there a figure? That is what I am trying to get at. The impression we were given last time around when the Secretary of State appeared was that the DCMS would come up with a pretty robust estimate of its own of how many people within the sectors that are covered are falling through the cracks. Minister, to your knowledge, has such a figure been put in front of you or the Secretary of State that is being used to discuss these issues with the Treasury?

**Caroline Dinanage:** It varies from sector to sector. In some cases it is around 30% to 35%. The problem we have had—and when the Secretary of State spoke to you all, it was quite early doors as things were unfolding—we found it quite difficult to get robust data on this. I will give



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you an example. Horace, you have met already today. The Musicians' Union represents more than 32,000 people. They did a survey and only 1,400 people replied to that survey. Out of that 1,400, 38% of respondents said that they were not able to get that support.

**Kevin Brennan:** I do know about the MU survey, and the Committee has seen that. There was an indication last time that DCMS was doing its own survey, and that was the point I was making. I know what the shortcomings might be of a survey conducted by a particular trade union, but I was hoping the Government would come in. The suspicion will be that you do not want to tell us what you know because that would undermine what the Treasury is saying about how universal the coverage of the scheme is. I am not accusing you of that, but that might be a suspicion people would have about the reluctance of the Department to give us a figure.

You said earlier that you were not prepared to stand by and watch parts of the sector disappear. That also applies to the workforce in the sector, large numbers of whom, as we have already heard in evidence, are getting no support at all from the schemes. A bit of clarity and transparency on that would very much help the Committee in its work. I will not press any further.

Q351 **Julie Elliott:** Good morning, Caroline. I want to move on to digital skills and the digital divide, which are very much in your brief. Over the last few weeks we have had the Secretary of State and people involved in the DevicesDotNow campaign giving evidence. It is apparent that, up until the last meeting, no money at all had come from the Government to a scheme that they have said they are supporting. Has any money from the Government arrived yet?

**Caroline Dinanage:** This is a massive issue. On the ONS figures, we reckon that about 7% of households in the UK—that is about 1.9 million people—lack household internet access and 11.5 million people do not have smartphones. That makes it difficult to be fully digitally engaged. A number of things have happened. The first thing is we have been working with colleagues at the Department for Education because initially we wanted to try to make sure that young people were not disadvantaged by being unable to access schooling or education. The DfE has been providing digital equipment to care leavers and to those who are in care or vulnerable. That has been a huge project for them.

Then we have been working with an organisation called DevicesDotNow, which you have probably spoken to, which is doing excellent work across the country. I took the view that I wanted to support them in every way I could to get to the sharp end. I wrote personally to the chief executives of 95 organisations across—

Q352 **Julie Elliott:** Can I interrupt you there, Caroline? I am well aware of the good things you have done, writing to industry, trying to get people to get involved, but when the person running DevicesDotNow, Liz Williams,



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appeared here a few weeks ago, she said that up until that date not a penny of Government money had come into that campaign. Has that changed?

**Caroline Dinenge:** We have not put direct money into DevicesDotNow. We have put direct money into providing devices for education, and we have also made £5 million available through a loneliness fund, which also includes digital exclusion.

Q353 **Julie Elliott:** Yes, but there has been no direct funding of the campaign of DevicesDotNow to date?

**Caroline Dinenge:** Not for DevicesDotNow to date.

Q354 **Julie Elliott:** In a written parliamentary answer, you were talking about the DevicesDotNow campaign. You responded on 27 April saying, "We are currently working with—" and then in an answer on 6 May you said your Department had been promoting DevicesDotNow. Is there a reason for the change in language?

**Caroline Dinenge:** We have been doing both. We have been working with them. The issue we have, if I can be blunt with you, is that we have huge demands on DCMS money to support a whole range. You have heard how desperate things are across our cultural and creative sector and our charity sector. This hugely important issue has been thrown up by Covid. The sort of money that we have in DCMS is not sitting there in a bank account not doing anything and not already committed. It is very tiny. This problem, as you have heard me articulate, is enormous.

The difficulty I have is finding money that could go into this that would not be regarded as tokenism. This is important, and I would like to see much more investment in providing people with not just the digital equipment but also the skills. That is not just a one-off tutorial or mentoring. It has to be something that continues for quite some months. For the people who are vulnerable and do not have digital skills, giving them a piece of kit and quickly showing them how to use it is not going to be sufficient. We want to make sure that people are able to benefit from digital inclusion.

Q355 **Julie Elliott:** That is absolutely right. There is no doubting your commitment or the Department's commitment to this, but you have highlighted the problem of the 1.9 million people. We know that around 25% of people who received shielding letters have no digital connectivity, and all of the information in those shielding letters were connections online. We know the percentage of children who do not have access to either a device or data. There might be one smartphone in a household of four or five people, which means they cannot access learning online.

This is not tokenism. It is about reaching the people who need this. It is a real need in this crisis. We all know this situation has been there, but the current crisis has highlighted the real vulnerability of lots of groups of people. Although you have reeled off many of the things that are being



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done, they are not tackling these groups of people and that is my concern.

One of the things Helen Milner from Good Things Foundation said in evidence to us is that DCMS has the policy lead and the policies are good, but they do not have any money. That is what I am trying to get to the bottom of. How do we square this circle? Where do we get the money from to plug the gap of this absolutely essential need in this current crisis? If DCMS does not have the money, who has the money and how do we get access to that money?

**Caroline Dinéage:** You are absolutely spot on. You have hit the nail on the head with how important this is. Until Covid struck, we had not understood the scale. I know your Committee has done amazing work to bring this to everybody's attention, but Covid has brought it into sharp focus and has shown the importance of getting people in touch with information.

I came into this Department only in February, and Covid struck a few weeks later. We do need to look at this more broadly across Government. We do not have massive reserves sitting in bank accounts for DCMS to throw at this right now, but that is why I wanted to go out of my way to write to 95 different organisations to ask what they are doing. Because of that, industry has enabled 1,600 vulnerable people to be provided with connected devices and, more importantly, the training to go with them.

**Julie Elliott:** Compared with the 2 million we are talking about, 1,600 is tiny.

**Emma Squire:** I want to make a small point about the work the Minister had been leading with the libraries sector. We are working hard on guidance for the safe reopening of libraries. We know from talking to a number of different library services that the very first service many people would like to bring back is—

Q356 **Julie Elliott:** In fairness, with the cuts to local government in the last 10 years, libraries have virtually disappeared in many communities where the most digitally excluded people live. Certainly they have been cut back quite dramatically.

Finally, Minister, we recognise the problem. I think you understand the problem, and I think we all understand the problem. We need the money to fund people getting connected. What are the Government going to do? If DCMS does not have the money, what are the Government going to do? What is your suggestion for the Government to solve this problem?

**Caroline Dinéage:** I came into this very latterly, as I have said—

**Julie Elliott:** I know.

**Caroline Dinéage:** —and you have almost demonstrated my point when I said we had managed to help 1,600 people get devices. That is



nothing compared with the nearly 2 million people who do not have household internet access. You can see the scale of the problem and why this needs to be a cross-Government piece of work rather than something that DCMS needs to administer. It is a huge piece of work, but it is important and I have asked my teams to look at how we can work on it more broadly as a cross-Government package to address this. I do not want the Treasury to think that I am continually going to them with a begging bowl, but it is something that we are hoping to do—

**Julie Elliott:** The Treasury needs to step up to the mark. Thank you.

Q357 **Steve Brine:** When we had the Secretary of State in on 22 April, we asked a lot about self-employed workers in the creative industries. It is a subject I have taken a great interest in. I asked him about the self-employment income support scheme and those who are left out of it. I take the point that 95% of self-employed people has been helped. It is an incredibly generous scheme. It achieves parity in many ways with the furlough scheme but, like that, there were people left out of it. I asked about, for instance, those who are below the £50,000 earning limit, those who do not earn the majority of their income through self-employment, such as company directors and those who are new to self-employment. Of course lots of people in the creative industries fall between those gaps. I would hazard an educated guess that a lot of the 5% left out are within that sector.

The Secretary of State said to me, "I can assure you that we have not reached the end of the road with this. It is not as if we are saying, 'Here is the scheme. That is it, end of it'. We are working with the Treasury and with the creative industries." The trouble is though that last Friday, when the Chancellor announced the welcome extension of the self-employed scheme into the autumn, he said clearly that there would be no more revisions to it, so it does seem as if we are now saying we have reached the end of the road with this.

We have been talking to BECTU and IPSE. There are lots of organisations that represent people in this space. How much did DCMS lobby for people who were left out of the self-employment support scheme? Are you continuing to do so?

**Caroline Dinenge:** This has been worrying me right from day one. We lobbied hard to get the self-employed income support scheme because we know that so many people who work in our industry are self-employed or freelancers, or both. This is dear to my own heart. I grew up with a father in broadcasting who was freelance for all of my childhood. I understand the uncertainty of that as a backdrop to your life. That is why, as part of my roundtable groups, I have made sure we include people who are affected by this so that we can drill down and find out where the issue is.

As we have found that data, we have passed it to Treasury. For example, there are some people who have not been self-employed for long enough.



There are some who do not make more than 50% of their income from self-employment. Treasury has made things like Universal Credit much more openly available and much more generous to try to scoop up some of these people. We also have issues with people who run limited companies, particularly when they are one-person limited companies and they take a lot of their money through dividends rather than through wages. The problem with each of these things is that you want to tear your hair out because you are trying to, at pace, put in place a system that is going to work for those people who desperately need it, but not be exploited by those who make their money through fraud, exploitation and things like that. If people take their money through dividends, dividends are paid to people up and down the country who are not running a business and who are just shareholders. We need to find a way of drilling down to those people who are single-person limited companies—

Q358 **Steve Brine:** Did the Department or your office come up with a solution to which they said no because it was not fraud-proof enough or not good enough for them? I certainly had the impression from the Secretary of State, from the quote I read out, that you were open to that. I had the impression from the Chancellor when I asked him questions both publicly and privately that they were open to that, but it has not really changed. I wonder, where did it come from? Was it that your Department did not come up with solutions? I know that BECTU produced many suggestions. They were not elegant, but they were about getting help to people. Was it that you did and Treasury said, "No, we are not going to do that?" It is a perfectly reasonable answer if it said that, but I want to get to the truth of what happened.

**Caroline Dinénage:** Emma will come in and talk to this in a minute, because she is waving her finger wildly at me. She has been at the sharp end of quite a lot of these negotiations. Broadly, the problem is that some brilliant solutions have been brought forward, but they are not without risk and they are not without fraud potential. That is why Treasury has found that they are not workable or are expensive to administer.

Q359 **Steve Brine:** Emma, what was the blockage? Is DCMS not good at negotiating or did Treasury—as it often does, and I remember it well—just say no?

**Emma Squire:** Our focus has been on sharing all of the evidence we have been gathering with the Treasury on where the gaps are, rather than trying to design solutions to those gaps. To come back to Kevin Brennan, a colleague has confirmed that the DCMS survey results will be published on gov.uk later this week. We have done a little bit of design in-house as well. I appreciate this is at the margins, but a number of the emergency relief schemes that our arm's-length bodies have put in place, like the Arts Council's emergency relief scheme and Historic England, have had allocations that are specifically targeting freelancers, artists and creative practitioners. For example, £20 million of the Arts Council funding was specifically to help people in this sector cope with hardship.



Equally, on the heritage side, there was an allocation to support heritage guilds and craftspeople who are self-employed or in small businesses. We have done a little bit of our own design as well through partnerships with arm's-length bodies.

**Q360 Steve Brine:** Thank you, Emma. I am going to go back to the Minister on a wider point. Earlier we heard people talking about theatres and the dire situation they are in. Nobody doubts it. We are the Digital, Culture, Media and Sport Committee, of course we get it, but you could appreciate that many of our constituents would say, "There are some desperate situations out there. Why should we be putting public money into the arts right now?" It is a fair question. What do you say to those who put that question?

**Caroline Dinenge:** There are two or three things that I would say to that. First, our arts, cultural and creative industries have been remarkable at cutting down the amount of public money they receive from the Government in recent years. A lot of them have made their organisations very business-like and very lean, and they make a lot of money through commercial endeavours, philanthropy and the extra avenues we have heard discussed today.

As a Government, we have a duty to preserve our economy, and we know that our creative and cultural industries generate so much money for our economy not just directly but, as Julian said earlier, indirectly with the impact on local retailers, restaurants and so on, but it is bigger than that. Our theatres, our culture, our arts and our creativity say something about our national psyche. It is something that we do exceptionally well in this country. It is almost our unique selling point. We are globally known for our ability to do this stuff. We need to preserve this not only for our own sense of national pride, but for our sense of wellbeing.

Maybe I am a big softie, but the number of times I have sat in a theatre or been in a live music performance with tears rolling down my face, these things can provoke emotion and a sense of common identity that you cannot get anywhere else. For many reasons, we want to do everything we can to protect them.

**Q361 Damian Green:** I have been delighted to hear you say several times in the course of your evidence that you recognise, on top of the economic benefit of the creative industries and culture, the contribution to the general wellbeing of society. That is hugely important, particularly at a time when the country is depressed and a bit angry. The intangible benefits are greater than ever before.

In context, the Arts Council has had £160 million to distribute and there has been a few million more in other different sectors. I compare that with the German Government, which has provided €50 billion for its cultural industries, and I come to the sad conclusion that whatever the warm words are, the German Government takes culture a lot more seriously than the British Government does. How can you disabuse me of



that sad belief?

**Caroline Dinéage:** The fact is that the Government have been tackling one issue at a time. The first issue was to keep people in employment. The unprecedented package of support for our cultural and creative industries and for all our economy is huge, and that was put in place at pace.

Subsequent to that, we have had a more sector-specific focus. We quickly had money from the Arts Council, Historic England and the Heritage Lottery Fund. All these organisations have had pots of cash as well, but as you say, we now move on to the next phase, looking at the immediate issues of rescue, the ongoing issues of recovery and then the future issues of renewal. We are now discussing with our Treasury colleagues how we can get more money and support.

Q362 **Damian Green:** I take the point about the long-term health of the various sectors, and I want to come on to that in a second. In the current situation, the Government have sensibly and helpfully found £16 million specifically for rugby league. In the context of that, not finding anything specifically for, say, theatres does rather stand out.

**Caroline Dinéage:** That is “yet” though, isn’t it? I am very optimistic and hopeful that we will have successful conversations with the Treasury and be able to put in place a package that will help our theatres and our arts. Until now, because things have been closed, paying the bills, paying the wages and keeping people in employment has been the number one issue. Julian said it, and so many others will: that has been a lifeline for the cultural and creative industries.

We now need to look at moving forward and how we reopen and support them to do that reopening. I know it is not going to be financially viable at the beginning, but I am still keen for them to open as soon as possible. Artists and performers want to do that. They do not want to be paid to sit at home; they want to perform. Also, it is important that we start to rebuild consumer trust and confidence in getting out again and going to enjoy these incredible venues and the great artistic fare they have to offer. Even if they need to be supported financially in the interim and in the initial period, I would like to see that happen.

Q363 **Damian Green:** That sounds very hopeful and optimistic. Throughout the renewal phase that you have talked about and into the long term, there will have to be discussions about social distancing and how you make all this practical and so on. But I get the impression from what you are saying that you would hope and expect that that is going to be accompanied by a significant chunk of public spending. Am I reading that right?

**Caroline Dinéage:** As things stand, as long as they continue to meet the Government’s five tests, our sectors are within the third tranche of reopening. Being technically able to reopen and reopening are two very different things, as you will appreciate. Our sectors are not like hardware



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stores. You do not open the door, turn on the cash register and start trading from day one. We want rehearsals to begin. We want people to start being able to gradually come back into economic viability. At the same time, we are having conversations as we speak with our colleagues in the Treasury.

I cannot anticipate, with the best will in the world and as much as I would love to. I am an optimistic person, and I would love to be able to tell you what is going to happen, how much money we are going to get and that it is all going to make everything better. I cannot tell you that with my hand on my heart, but I can tell you that we are doing our utmost to get what we need for our sector. Every single person in DCMS, without any word of a lie, cares very deeply about our industries and wants to protect them.

**Q364 Damian Green:** I do not expect the figures at the moment when Treasury negotiations are still going on, because that is an invitation to halve it.

One of the ways that has been suggested in our evidence sessions previously, which could be a small but significant boost to the sector, would be another bank holiday in October. The Government does not seem keen about this. I can imagine why the Treasury or BEIS are not, because they have to work seven days a week all the time. Is there a departmental view about it? Do you think an October bank holiday would give a slight helpful boost to both the cultural sector and, indeed, the wider bits of the economy for which DCMS has direct responsibility?

**Caroline Dinéage:** I cannot tell you for sure that there is an approved DCMS view on this. What I would say, and Emma may challenge me on that, is that I think we need is a big promotion of Britain and what is fabulous about it as we move out of the lockdown period, promoting our culture, promoting our creativity, promoting our tourism and our heritage. I think we will see a lot of that moving forward.

**Emma Squire:** I can confirm that there are no plans to introduce an additional bank holiday this year, and obviously to do so would come with an economic cost to bear. As the Minister said, we are really interested in all and every creative idea for boosting the tourism sector, which has knock-on benefits for obviously the cultural and creative industries sector, so we are talking to lots of stakeholders on that side and are actively taking forward some of the ideas that they are bringing to us.

**Q365 Giles Watling:** Good morning, Caroline. Thank you so much for being here. It was good to hear you propound, expound and celebrate theatre and the performing arts generally. I can bat on forever about this, of course, because it is one of our greatest global offers. It is good and strong for community, it is good for mental health, it is the export of the English language and, of course, it is the export of the British way of life and it does UK plc no harm whatsoever. I have been around the world working in theatre, and we are celebrated everywhere we go, British



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theatre. Of course we were one of the first and hardest hit by the lockdown. You mentioned earlier that social distancing is a difficulty. It is not only a difficulty. To be close together in theatre venues and to be close together in musical venues is part of the experience, so we will be the last to come out.

I worry about this cultural investment participation scheme, which sounds so very good, making the Government—that is the British taxpayer—a very large and powerful angel backing these things, whereby the taxpayer even gets a return on his/her money. It is a great idea. It sounds terrific. I want to be assured from DCMS that representations to the Treasury, which I made last week to the Chancellor directly, will go on to make sure that this is not just words, that this will be an investment that will be wide, will be solid and will push our theatre industry particularly back to the fore, where it has always been historically.

**Caroline Dinenge:** Thank you, Giles, you have articulated the value of our theatre, in particular, and of our cultural industry better than I could. That is no surprise, given your background in this sector.

Previous to this role, I was in the Department of Health and Social Care for two years. One of the things I was responsible for was social prescribing—I think someone mentioned social prescribing earlier—and I saw with my own eyes the impact that art, music and performing can have on people's health, literally game-changing, literally life-changing. People were going from being bedbound to being fully functioning, working, happy and fulfilled members of society. This has huge potential, and I am very keen to carry on working with that.

This is why this is important. There are so many factors to it and, yes, we have had a number of good suggestions. Sam Mendes's suggestion is only one of them. Andrew Lloyd Webber has written to us with some suggestions. We have had some fascinating suggestions from the live music industry about using technology, which we will pass on to NHSX to see whether that can be worked up. We are feeding in these ideas to those who give us the money—and we hope give us money—and also those that can provide other solutions in terms of distancing or technology that will enable our sense of freedom again.

Q366 **Giles Watling:** The most important thing is to make sure that the Government are aware of the true value of this sector because so often, in my entire professional career, we have been pushed to the sides as we go along. For instance—I said it before, but it is worth remembering—the UK theatre played to 84 million people in 2018, and just ticket revenues alone, £1.28 billion. This must be fed back up to the Exchequer at every opportunity, and I am glad that you are onside with this.

**Caroline Dinenge:** I think you are right. We have to keep making the economic case for this. You and I, and the members of the panel, are already very much aware of the moral and general sense of wellbeing



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reasons for doing this, but the economic reasons are there. We know that in 2018 the culture and arts sector employed over 650,000 people in the UK. We know it is growing at double the rate of the rest of the economy. This is not to be sniffed at. These are not tiny numbers. This is really important for UK plc.

**Q367 Clive Efford:** Was there any pushback on behalf of the tourist industry and the creative industries, particularly the music industry, against the 14-day quarantine?

**Caroline Dinanage:** Yes, we have had pushback—Emma can talk more broadly about tourism, because it is not in my portfolio and she does have some of that. Certainly in my sector we have had conversations with creative industries, with film companies and with musicians who would be affected by the 14-day period.

**Emma Squire:** As the Minister says, some of it is well publicised in the press in terms of the pushback from some key stakeholders in the tourism sector. We are part of the cross-Whitehall discussions because the Government are carefully considering the concept of international travel corridors, including air bridges, and how those could be implemented in practice.

DCMS is at the table for those, specifically with a tourism hat on, but also because, as this Committee has recognised, West End theatres, and not just West End theatres but a number of heritage attractions—Westminster Abbey, Stonehenge and others—rely particularly on international visitors, so we are keen, as the health position allows, to reopen and be as welcoming as possible to visitors from overseas.

**Q368 Clive Efford:** It has also been commented on a great deal that perhaps when other countries had a higher infection rate than we did was the time when a 14-day quarantine would have been most effective. So why not in March, April or May? Why in June, when the infection rate in this country is coming down? Has the Department asked to see the science behind this and challenged why, at this stage, it is sensible for the Government to introduce 14 days if it was not prior to this?

**Emma Squire:** Our chief scientific adviser sits on SAGE and, of course, our Ministers are part of the discussions about all of this. As I understand it, because we are getting the R number under control within the United Kingdom, that is why the view is that now is the time to ensure that we bank the good work we have done in terms of bringing down the R number by introducing the 14-day quarantine. As the Minister said earlier in the hearing, that will be kept under regular review every three weeks. As I said, we are part of cross-Whitehall discussions about the possibility of travel corridors.

**Q369 Clive Efford:** I want to push you a little bit more on this, because these are sectors that are highly sensitive to the infection rate. We have heard that social distancing in theatres and other venues has a devastating



effect. It has a devastating effect on tourism. You represent many industries and many businesses that will be in perhaps the last tranche that come out of lockdown because of the close distancing, the nature of the audiences that attend many of these venues and places. How vigorously did DCMS challenge this decision, which came out very late, to introduce a 14-day quarantine?

**Caroline Dinéage:** All we can do is make our representations. The information goes in and I believe—and Emma will correct me if I am wrong—it is a decision that is made Government-wide. It is a Cabinet Office decision, and we give our own evidence. The evidence from us is completely conclusive. There are very few sectors within DCMS that would not be impacted by this, at least the ones that I am responsible for. If we just think about our museums, for example, things like the Science Museum, the Victoria and Albert, the National Gallery, the vast majority of their day-to-day business comes from tourism and that is replicated across most of our sectors.

Q370 **Clive Efford:** DCMS has seen scientific evidence that satisfies it that this quite devastating imposition for many of the industries that you represent is necessary?

**Caroline Dinéage:** Just to correct you, our job is not to decide whether it is necessary. That is up to those who are looking at the science and looking at the impact. Our job is to put forward the economic impact on our sector and the general impact on the sectors that we represent. Clearly it is for the Government more broadly to take the evidence we are giving and the very strong representations we are making and compare them with the scientific evidence on the health implications.

At the end of the day, the health implications of there being a second spike of this terrible virus and having to lock down our sectors for even longer, after the incredible sacrifice that people up and down this country have made, are not to be sniffed at. They have to be taken into account. I would not like to be the person that has to weigh that up, but that is what they are doing. That is why they are reviewing this so frequently. They are reviewing it every three weeks and, as Emma said, looking at averages and various other solutions as well.

Q371 **Clive Efford:** Could I seek some clarification relating to the answers you gave to Kevin Brennan earlier about assistance for people in various industries, self-employed and others in the furlough scheme? Again, many of the industries that come under DCMS will be among the last to emerge from the lockdown and will be in the latter phases of it. Is DCMS making any specific representations to the Treasury for some special consideration for those areas that are particularly sensitive?

**Caroline Dinéage:** The representations we are making are broadly across all of our sectors, the cultural and creative sectors, to the Treasury and looking at the financial impact, not just for the buildings and the organisations but for individuals as well. We are very pleased that the



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Chancellor is going to extend the self-employment support scheme, so that reopens again in August, but that is payments that go through to October and hopefully by that stage we will have a much better understanding of where we are sector-wide.

**Q372 Clive Efford:** Many of the industries and their representatives are making the case that it could be several months beyond that that they will get back on their feet. Is that recognised, and are you considering representations in that way?

**Caroline Dinéage:** Yes, 100%. I have already said, in my not particularly academic way, that our industries are not a hardware store. You cannot open the door and turn on the cash register. We know this is going to take a really long time to get back to normal, or whatever the new normal looks like. Our job is to make sure that we support the sector and all those who work in it. There is no point having theatres or creative industries with none of the experts or the skilled people to work in them once they are back up and running.

**Q373 Clive Efford:** There has been no edict from the Treasury to say, "There will be no special pleading, everything will come to an end on the same day"?

**Caroline Dinéage:** The most recent message we had from the Treasury was when it extended the furlough scheme and the self-employed income support scheme until the end of October, that that would be the last time. Clearly were there to be a second spike or some other evidence come to light, that may be revisited. What we would be looking at for our sector is a broader funding package, rather than getting the Treasury to reopen a specific scheme that is nationwide and completely blind to sectors. We cannot ask for a sector-specific scheme, so we are asking for funding more broadly in a way that we can administer.

**Q374 Clive Efford:** Can I ask about Festival 2022? Many of the industry organisations that will be looking to participate in that have been badly affected during this crisis. Has that caused you any concern about the preparations for Festival 2022, and is it informing any funding that you might be looking to make available in those sectors?

**Caroline Dinéage:** There were some calls earlier on, if I am honest with you, to scrap Festival 2022 and put the money into paying people's wages over this period. We thought about that long and hard, and we talked a lot to the sector, and what the sector said is, "We would much rather you be investing in our culture and in our creativity using this money to commission work, using this money to get us back up and running. That is, after all, why we are in this industry. We want to perform. We want to create" and that is why we are continuing with Festival 2022.

In fact, I think it will almost be more of a celebration than we had originally envisaged because of the impact of Covid. We want to use it to



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celebrate our incredible culture and creative industries, as well as many other things about our country. We want it to be a real nationwide event, and all four home nations will be celebrated as part of it.

**Q375 Clive Efford:** Does that mean we should look to bring it forward to 2021 to assist with the recovery?

**Caroline Dinéage:** It might give the creative teams a heart attack if we did that, but we can be commissioning work now. Martin Green, who has been working on this, has been brilliant. He is already coming up with lots of creative ideas to build teams and put this together. It will be a great festival, and it will celebrate the things that we have been talking about today, those industries of which we are so proud and which are a key part of our national identity.

**Q376 Clive Efford:** Could I ask one last question on online harms? We have seen many examples of where the large online platforms have not dealt with misinformation about Covid and other things, have failed to take them down effectively and have given us unsatisfactory answers. Simply, isn't it time we started to impose heavy penalties, which places like Germany have imposed? That seems to have solved this problem. Should we be taking that step now?

**Caroline Dinéage:** The Online Harms White Paper suggests there will be penalties. We have had some very positive interaction with a lot of the social media platforms and with people like Google and what have you. The Secretary of State met them all in April and said they have to go much further, much faster. Covid has been quite a good indication of what can be done at pace, but we need so much more engagement with this.

The evidence session you had with some of the platforms last week totally illustrates this. Our online harms legislation will be world leading. No other country in the world has introduced anything like this. Germany, as you say, has tackled this piecemeal, Australia the same, but ours will be the most comprehensive package of reform in this sphere than anywhere in the world, and it is something the rest of the world will be looking at.

**Chair:** It may be the most comprehensive legislation, but we are still waiting for it, Minister.

**Q377 Damian Hinds:** Following directly on from that, when will we see it?

**Caroline Dinéage:** Prior to Covid, we were hoping that we would be publishing our response to it over the course of the summer. That has obviously been delayed. We are still hoping to get out that response later this year, and we have committed to getting the legislation done in this session of Parliament.

**Q378 Damian Hinds:** Can I push you a little? Give us a section of the calendar to look at.



**Caroline Dinenage:** To be honest with you, I am not being evasive, Damian, or in any way trying to sidestep the question. A lot of this is not in our gift in DCMS. It is being able to get parliamentary slots and, as you know, with all the pressures on parliamentary time that the coronavirus has brought, it is not quite as straightforward as it has been in the past. We are working hard with our colleagues in the Home Office to get our response ready, and in many ways our experiences of Covid have very much educated our response. It has been an interesting period to see some of the stresses and strains that have been put on the online world and how it has risen to those challenges, and it has given us a good opportunity to make tweaks to our response that we may not have thought necessary before.

Q379 **Damian Hinds:** Is parliamentary time the sole or primary impediment to doing it sooner, as opposed to any remaining policy debates within Government between Departments or, indeed, debates with the sector?

**Caroline Dinenage:** Neither. Obviously, parliamentary time is key because we are going to need a slot, but we have had inevitable delays on bringing forward our response. Part of that is because quite a large number of teams that were on this work when Covid started were immediately sent off to other bits of DCMS, looking at things like protecting our 5G assets, misinformation and disinformation. Things like that have come very much into focus, and we have had to step up those teams enormously.

If I am brutally honest with you, there have been delays within DCMS. There have also been delays within the Home Office that have been brought about because of Covid. We are still absolutely 100% committed to this piece of legislation. We think it is the right thing to do. As I was saying before, it is potentially going to be world leading, and we want to get it delivered as quickly as possible because Covid has shown us the necessity for it.

Q380 **Damian Hinds:** What sort of balance can we expect between addressing illegal activity and content and the so-called legal but harmful?

**Caroline Dinenage:** Within the legislation, the only things that we are setting out are things that are illegal, so child sexual exploitation and terrorism are the two things that are mentioned on the face of the Bill, as far as I understand it at the moment. On the things that are what you describe as legal but harmful, Ofcom is the regulator here and that will be something it will lay down.

We are not going to specify what those harms are. We kind of learned our lesson because harms have emerged over recent years that we had never heard of before. If you think about upskirting, five or 10 years ago that was not a thing and now we have had to legislate for it, so we want the legislation to be broad enough to be able to bring in things like that. We want platforms to be able to do their own risk assessments, their own duty of care and their own analysis of what is legal but harmful on their



platforms and put in place measures to take it down. We will give Ofcom powers to be able to deal with that.

**Q381 Damian Hinds:** In a very immediate sense—and Clive touched on this a little bit earlier—with Covid-19 misinformation and disinformation, which is not illegal but is nevertheless very misleading, it is still very harmful and is at the heart of this infodemic that we have seen alongside the pandemic. What powers do you envisage Ofcom, or whoever it may end up being, having specifically in relation to enforcing the removal of misinformation and disinformation of that sort?

**Caroline Dinenage:** It is quite tricky with misinformation and disinformation. To us, clearly, it is vital that the public has access to accurate information, particularly at the moment. In times of uncertainty, people need to be able to look to the Government to provide sources of information. That is why, over this particular period, we made the decision in March to stand up a cross-Whitehall counter disinformation unit, which brings together all the monitoring that happens across Government, and our job in DCMS is to liaise with the social media platforms to take things down.

More broadly, with regard to online harms and disinformation and misinformation, it is balancing what is illegal that needs to come down. What is illegal online is illegal offline, as you know. What is harmful, then that will be up to the social media platforms to robustly define what that is, how they intend to tackle it and what their duty of care is. More broadly, this is where the difficulty comes within this piece of legislation. This is why no other country in the world has done it, because we are trying to balance freedom of speech and freedom of expression alongside protecting people from harmful information.

**Q382 Damian Hinds:** Obviously tech and social media is a global sector, and many of these problems and issues appear in different forms all around the world. Ultimately, do we need global institutions for regulation?

**Caroline Dinenage:** Because we are going to be one of the first countries in the world to do this, I think a lot of countries around the world are looking at us and seeing how we move forward. We certainly will not be the last country to tackle this, but you are right to point out that most of the social media platforms and other online providers that people in this country routinely look at are not UK companies. They may have a base here, but they are based overseas. That is why we need to build up this kind of global approach to tackling this issue so that we can make a difference.

**Q383 Chair:** Just on a couple of points raised by Damian, and then I am going to ask you about immersive and addictive technologies. First of all, in terms of the timing of legislation, the Secretary of State said at the Despatch Box last Thursday that it would be within 12 months. He has also promised pre-legislative scrutiny to this Committee. That is the sort of timing we are looking at in that regard. Are you working towards that?



**Caroline Dinenage:** As I say, we want to get our response to this consultation out as soon as possible, hopefully in the autumn, and the legislation will basically come out alongside that, then it is just getting a slot to be able to implement it. Yes, I would hope so. We certainly pledge to do it within this session of Parliament. Pre-legislative scrutiny is useful for this particular piece of legislation because it is so broad. It has a lot of contentious bits to it because—as I have already mentioned to Damian—we are balancing freedom of speech, freedom of expression with protecting people from online harm and ensuring that we protect our tech industry, which is growing six times faster than the rest of the British economy, or it was before we went into lockdown. Pre-legislative scrutiny could have an important role to play on that. We just need to make sure that we can get everything done in this session of Parliament.

Q384 **Chair:** Do you think social media has had a good or a bad Covid-19 disinformation war?

**Caroline Dinenage:** We have seen some good practice. A lot of organisations changed their way of working and have been much more proactive, much more receptive to us about trying to get proactive information and links to information that has Government authority, information that people can rely on. They have worked hard with us on getting that up front. We have worked very hard with our cross-Whitehall counter disinformation unit, getting harmful disinformation taken down. As you know, we have issues with things like 5G masts, which have been crazy, and so they have worked very hard on that sort of information with us. Do I think they could go further? Yes, absolutely. This is an indication of what more they can do, I think.

Q385 **Chair:** So seven out of 10, or something like that, would that be the sort of mark you would give them? Yes, “See the teacher. You must do better.”

**Caroline Dinenage:** I promise you—

Q386 **Chair:** When we talked about the actions taken during this period, from a personal perspective, did you welcome Twitter’s actions over Donald Trump, for instance?

**Caroline Dinenage:** I watched the evidence session with Twitter last week, and I understand its reasoning for it. Clearly your panel brought into question a whole lot of legitimate issues around it: how you are able to curtail freedom of speech and freedom of expression, and who is able to legitimately decide what is factually inaccurate and whether that is something that needs to be applied across the board, if you are going to start applying it. I would not want to get drawn on that one particular Twitter incident, but it does raise questions, doesn’t it?

Q387 **Kevin Brennan:** Minister, very briefly on the online harms Bill that you were just talking about, I was not quite clear what you meant by that. Is it the Government’s intention to publish the Bill in draft form and hold some kind of pre-legislative scrutiny, or is it the Government’s intention



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to publish the Bill, as intended, and then perhaps hold a special Standing Committee or something to scrutinise it briefly before going into its normal parliamentary legislative process? What is the Government's plan?

**Caroline Dinéage:** We have not 100% bottomed that out yet. That is what we are discussing right now as we speak. We did an interim response to the White Paper, which I think was published in February just before lockdown and—

Q388 **Kevin Brennan:** Okay. At this point we do not know the answer to that. It is just there is a big difference in timetable between those two approaches: one would suggest it has gone into the long grass and probably would not go through all its legislative processes in this session, and the other would suggest that it would go into law in this session. We are falling behind that goal of being the first movers on this in the world if we do not do that. I am just trying to gauge it. If you are telling me that it is still under active discussion as to exactly what tactics will be used, that is fine, as long as we can have an idea of when that decision will be taken.

**Caroline Dinéage:** Our very clear intention and hope is that we want to get this done and dusted within this parliamentary session. We want to get the legislation up and running.

Q389 **Chair:** Maybe in due course you could write to us when you have an idea in terms of exactly the sort of format and where we are going in terms of parliamentary scrutiny. Just turning to the addictive and immersive tech report that you responded to yesterday as a Department, you announced in your response a call for evidence on loot boxes, which we have highlighted as a Committee is a real harm, particularly for children. Why is this only a call for evidence considering you recognise the harm that is being done? Secondly, rather than saying, "Further detail will be announced in due course," will you commit now to a strict timetable for that call for evidence?

**Caroline Dinéage:** I can answer all those questions, and I will try to do it quickly because I realise that we are now a bit short of time. The reason it is a call for evidence is based quite a lot on some of the recommendations from your Committee, that there isn't very robust evidence out there. We know that the Children's Commissioner has some evidence, but it was based on only a tiny handful of cases, only about 20 cases. We need robust evidence on that. We are serious about this, but we do need to get that robust and hardcore evidence, which is why we have done that. The call for evidence will launch this summer, and we want to be able to announce the conclusions and the next steps by the end of this year.

Q390 **Chair:** Presumably this is to avoid, for example, judicial review and that sort of aspect. You need to call for evidence for that reason, is that right?



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**Caroline Dinéage:** Yes. We need to be able to have robust facts and figures. It was an excellent report by your Committee, and it highlighted there is a paucity of evidence in this sphere.

Q391 **Chair:** Final question. The Government share the Committee's concerns about underage players accessing unsuitable online games. What is the Government doing to ensure age restrictions on online games and social media are robustly enforced by platforms?

**Caroline Dinéage:** In 2019 we called on the industry to adopt the PEGI age ratings, which consumers recognise and trust, for all online video games. We are worried about this, so we are going to be making a further assessment of this kind of voluntary compliance and work with industry to try to ensure adoption across every major platform, because your Committee recommended it and we do see that it is a big issue.

Q392 **Chair:** Would you rule out any legislative action?

**Caroline Dinéage:** I would not rule anything out, but I am a great fan of trying to get people to see the good common-sense reasons for doing something before we wade in with our legislative boots on.

**Chair:** Thank you for your evidence today, Caroline Dinéage. Thank you to Emma Squire for her evidence. David, we did not get to speak to you, but thank you for sitting in on the session. That is all. That concludes our session for today.