



Department for  
Science, Innovation  
& Technology

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The Rt Hon Baroness Stowell of Beeston MBE  
Chair, Communications and Digital Committee  
House of Lords  
London  
SW1A 0PW

16 May 2024

Dear Baroness Stowell,

Thank you for the Communication and Digital Committee's letter following the Government's response to the Committee's report on Large Language Models (LLM). In our response to the Committee's report and in our AI regulation consultation response, published in February 2024, we set out our pro-innovation approach that strengthens the UK's role as a global leader in safe and trustworthy AI. I hope this assures the Committee that we are pursuing a balanced strategic approach.

The Government continues to lead the world in our approach to AI. The Bletchley Summit kickstarted the global conversation on AI, and since then the 'Bletchley Effect' has seen countries from around the world strengthening collaboration on the development of safe, responsible and trustworthy AI. This was on show in April when an agreement was signed between the UK's AI Safety Institute (AIS) – the world's first state-backed body dedicated to AI safety – and the new US AISI, to work together to build a common approach to AI safety testing.

I welcome the Committee's recognition of the Government's strategic focus on ensuring a balanced approach to AI, which we have addressed through our various commercial and research initiatives, many of which we introduced over the past year. I also welcome the Committee's recognition of the Government's work to support start-ups and spinouts, expand compute, and develop safety tests for high-risk models. We also have announced our commitment to spend over £100m to support AI innovation and regulation. The UK boasts a thriving AI sector, world-leading academic institutions, and well-established expert regulators, and we are committed to making the UK a science and technology superpower by 2030, as set out in the Science and Technology Framework.

I note that the Committee raised further questions regarding our approach, which I address below.

#### Copyright

The Committee's letter rightly notes the importance of the issue of copyright and AI, and the need to support responsible AI in this area. This is a complex issue, which is challenging jurisdictions around the world, and it is one that I take seriously. It is not the Government's role to comment on legal cases, however I agree that it is important that copyright law provides certainty and remains fit for the future.

The UK is among the world's leaders in AI research, innovation and talent, and is home to hugely successful creative industries with global reputation. We want both industries to succeed and grow. Therefore, we are working to develop an approach to copyright and AI that enables these industries to grow in partnership. Achieving this will require a careful balance to be struck.

As the Committee notes, it may require legal clarification of the copyright framework, as well as new technical solutions, to support both AI developers' access to copyright works and creators' control over them. We are committed to ensuring that our approach is underpinned by trust and transparency, so that copyright owners can be confident that their work is being used appropriately.

The Department for Science, Innovation and Technology (DSIT) will continue working closely with the Department for Culture, Media and Sport (DCMS) to develop our approach to tackling these issues. We had hoped that AI developers and rights holders would be able to come together to find a way forward through the Intellectual Property Office's (IPO) Working Group, although they were not able to agree a voluntary code of practice. We remain committed to gathering input from a range of AI and rights holder stakeholders.

We will also engage with our international counterparts, as we recognise the global nature of both the creative and AI sectors and are committed to aligning standards where appropriate, while maintaining the UK's robust copyright regime. I recently agreed with my US counterpart that copyright and AI should be a focus of our future discussions, with a particular focus on our shared priority of ensuring that AI companies provide rights holders with greater transparency – both about the use of copyrighted material to train AI models and about the attribution of outputs.

#### Market competition and regulatory capture

I thank the Committee for recognising our efforts in upholding open competition and our engagement with the open-source community. We have made promoting competition and innovation in digital markets one of the core policy objectives of the Government's Plan for Digital Regulation. The Digital Markets, Competition and Consumers Bill will give the Competition and Markets Authority new powers to tackle competition issues in AI and other digital markets where it finds firms have substantial and entrenched market power.

In our AI regulation white paper consultation policy response, we made clear that prior to legislating, the government would need to consider whether new measures would unduly dampen innovation and competition. We also reaffirmed our commitment to promoting open-source AI technologies where it is safe to do so. We did so in part because of the benefits of open source to competition and innovation. We are committed to supporting beneficial open development activities, so we are engaging with a range of stakeholders from the open-source community including OpenUK, Mozilla, and Github. We are working hard to find ways to minimise any negative effects any new regulatory obligations might have on beneficial open-source innovation. AISI will also consider open-source systems, as well as those deployed with various forms of access controls. Both AI safety and security are in scope.

The Committee's report raised concerns that the Government is relying on external experts to inform our policy decisions. However, over the last year, we have brought technical expertise into government, giving us a greater understanding of the challenges and opportunities of AI, without compromising our impartiality. In particular, AISI is the first organisation in the world dedicated to advancing the sociotechnical infrastructure for Frontier AI evaluations and governance. We have built a team of researchers and engineers with experience from leading

AI companies, and AISI has the technical expertise, computing capability and international reach to drive forward the effective assurance of Frontier AI. AISI is not a regulator and will not determine government regulation. It will collaborate with existing organisations within government, academia, civil society, and the private sector to ensure that activity is both informing and complementing the UK's regulatory approach to AI, as set out in the AI regulation white paper. AISI will provide foundational insights to our governance regime and be a leading player in ensuring that the UK takes an evidence-based, proportionate response to regulating the risks of AI.

### AI funding

I welcome the Committee's recognition of the Government's investment in university AI research. In my letter sent to the Committee on 17 April 2024, I provided further information regarding the UK Research and Innovation's (UKRI) approach to dispersing funding for AI research.

UKRI has a broad portfolio of investments in AI training, research, innovation and infrastructure, held by institutions right across the UK. This includes significant investment in AI infrastructure, which will benefit universities and research organisations across the AI ecosystem. The UKRI investment is provided across the R&D ecosystem and delivered via open competitions that provide equal opportunities to all applicants. While we do not observe a systemic our approach does not create a funding gap, numbers of high-quality applications pursuing excellent research and innovation often far outstrip the funding available, resulting in excellent research proposals remaining unfunded.

The Government is implementing a range of legislative and non-legislative measures to protect sensitive research at universities from national security threats, including threats from foreign actors. This includes the Research Collaboration Advice Team which provides direct advice to the academia sector on national security risks in international collaboration. The Integrated Review Refresh committed to review the effectiveness of existing protections. DSIT is currently leading this review. The Deputy Prime Minister announced on 25 April that the Government will consult on the response in the summer.

### Next steps

I am grateful for the Committee's acknowledgement of the progress we have made, and that the Government's AI white paper consultation response demonstrated that our approach aligns with much of the Committee's recommendations made in the Report on LLMs. I am content that where the Committee views that our approach does not align with the Committee's recommendations made in the LLM report, the Government is engaging the relevant stakeholders and using the latest information to mitigate the risks and capitalise on the benefits of AI. I thank the Committee for its time looking into this issue and welcome the Committee's ongoing interest, as we continue to lead the world in tackling AI risks and driving opportunities for the UK.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Michelle Donelan', written in a cursive style.

**Michelle Donelan MP**  
Secretary of State  
Department for Science, Innovation and Technology

