



Culture, Media and Sport Committee

House of Commons, London, SW1A 0AA

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The Rt. Hon. Lisa Nandy MP,
Secretary of State,
Department for Culture, Media and Sport

By email

14 November 2024

Dear Lisa,

Grassroots music: Government response and next steps

Thank you for your response to our predecessor Committee's report on *Grassroots music venues*, published on 11 May 2024.

It set out a package of practical measures to tackle the urgent crisis unfolding in the live music ecosystem up and down our country, including a fan-led review of live and electronic music and an industry-led levy on arena and stadium shows to support grassroots venues, emerging artists and independent promoters.

We welcome the Government's recognition of the need for a levy and statement that the Government reserves the right to step in if an industry-led solution is not forthcoming in 2025.

We also note positive long-term commitments to permanently lower business rates for retail, hospitality and leisure properties from 2026, introduce a "community right to buy" for cultural assets including venues and consider improvements to the agent of change requirements.¹

However, there are concerns that these long-term reforms will not address the short-term, mutually reinforcing rate of closures and cost of touring.

Music Venue Trust argues that the announcements regarding short-term premises taxes for 2025 alone will add an additional burden of £7 million on a sector that, as a whole, returned a gross profit of just £2.9 million last year.² With 43% of the sector already making a loss, as many as 350 venues are now facing imminent risk of closure.³ This will result in the loss of jobs, performance opportunities and economic and cultural activity of intrinsic local value.

An open letter from the Musicians' Union and Featured Artists Coalition reiterates that artists have been locked out of prior support for the sector and describes the direction of travel since

¹ Culture, Media and Sport Committee, Third Special Report of Session 2024-25, [Grassroots music venues: Government response](#), HC 380

² Music Venue Trust, "[Budget Statement from Music Venue Trust](#)", 30 October 2024

³ Music Venue Trust, "[Budget Statement from Music Venue Trust](#)", 30 October 2024

our report's publication as "a cause of alarm".⁴ The letter also indicates a lack of representation for artists in discussions, despite our explicit recommendations.⁵

We are also disappointed that the Government will not be taking forward our recommendation for a Fan-Led Review, which would address blind spots in the Government's policymaking and bring voice of fans to discussions on policy proposals. The previous Government demonstrated its willingness to act in the interest of fans with the Fan-Led Review of Football Governance, so why should our vital live music ecosystem not enjoy the same support? The Committee encourages you look again at your decision to reject this recommendation.

Our report in May set a six-month deadline for industry to act on the levy. This has now passed with no sign of movement from the biggest venues or promoters. As such, we invite the Government to add clarity to the timescales in its response:

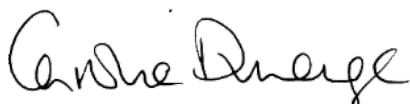
- **What is the explicit, tangible deadline for negotiations on implementing an industry-led levy?**
- **If no levy is forthcoming, what deadline will you set yourself for bringing forward alternative proposals?**
- **What factors will you consider when deciding what action to take?**

I will also be writing to Music Venue Trust and Live Music Industry Venues and Entertainment (LIVE), as the overarching representatives of the relevant trade associations across the sector, in Q1 of the new year, asking for updates on a fan-led review and a comprehensive industry-led levy.

If there is no significant progress on a voluntary levy, we will be inviting the sector to appear before us for a hearing in May 2025 to inform further action from the Committee and, I hope, from the Government.

The Committee would be grateful if you could respond to our letter by 28 November 2024.

Yours sincerely,



Dame Caroline Dinenage MP
Chair, Culture, Media and Sport Committee

⁴ Musicians' Union and Featured Artists Coalition, "[An open letter to government and the live music industry on grassroots touring](#)", 29 October 2024

⁵ Culture, Media and Sport Committee, Seventh Report of Session 2023-24, [Grassroots music venues](#), HC 527, para 50