



Department for
Science, Innovation
& Technology

Minister Clark
Parliamentary Under
Secretary of State for
Science, Innovation and
Technology

Minister Bryant
Minister of State for Science,
Innovation and Technology &
For Culture, Media and Sport

100 Parliament Street
London SW1A 2BQ

16 October 2024

The Rt Hon. the Baroness Stowell of Beeston MBE,
Chair of the Communications and Digital Committee

Dear Baroness Stowell,

The Department for Science, Innovation & Technology (DSIT), together with the Department for Culture, Media and Sport, welcome the opportunity to respond to the Communications & Digital Committee's Call for Evidence on the barriers SME's face when scaling in the UK, with the particular focus on AI and Creative Technologies.

The economic potential for enhancing the UK's scale up landscape is significant. Scale up businesses have proven to be a driving force of the UK economy, generating substantial economic output and employment. We are dedicated to ensuring that all parts of the UK provide the right conditions for creative and tech businesses to start, scale, and stay, so the UK remains a global tech leader.

The UK government is seized on the importance of supporting tech companies looking to scale up, including through investing in R&D, ensuring regulations are innovation-focused, providing target R&D tax relief schemes, and consulting experts on how to maximise the opportunities these technologies can bring. Existing programmes that support tech business to scale include InnovateUK, Catalysts, the Digital Growth Grant, and domestic and international talent initiatives.

You will have seen that this Government recently announced that the digital & technologies sector and the creative industries have been identified as growth-driving sectors. Sector Plans will be published in the coming months to set out how they will focus on driving growth across the UK. The recommendations from this Committee will help us to develop these Sector Plans.

Further, the Secretary of State has tasked Matt Clifford, Chair of ARIA and a leading industry expert, to develop an action plan to identify how AI can drive economic growth and deliver better outcomes for people across the country. We look forward to sharing the Plan and the government response with you in due course.

The government is proactively investing in UK capabilities and economic growth to ensure that the benefits of both AI and creative technology can be realised across the entire country.

Yours sincerely,

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

Feryal Clark MP

Parliamentary Under-Secretary of State for AI and Digital Government

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

Sir Chris Bryant MP

Minister of State for Data Protection and Telecoms and Minister of State for Creative Industries, Arts and Tourism.