

Written evidence submitted by Equity

Equity written submission to Digital, Culture, Media and Sport Select Committee Inquiry Reimagining where we live: cultural placemaking and the levelling up agenda

We welcome this inquiry by the Digital, Culture, Media and Sport Committee. The submission was prepared by Equity, the UK's largest trade union in the arts and entertainment industry. We represent over 47,000 performing arts practitioners. Our membership is made up of actors, choreographers, dancers, theatre directors, models, singers, stage management, stand ups, storytellers, stunt performers and co-ordinators, theatre designers, theatre fight directors, TV and radio presenters, variety, circus, cabaret and light entertainment artists, voice artists, walk-on and supporting artists.

Levelling up the creative arts

The government's Levelling Up White Paper acknowledged the vibrancy of the creative arts sector in the first paragraph of the executive summary. However, it is important to recognise that the funding landscape that supports this industry is extremely precarious. The latest Arts Index found that public funding for the arts per head of population – via the Lottery, local and national government – dropped by 35% since 2008, with local government funding for the arts falling by 43%. Business sponsorship of the arts is down 39% since 2013, equating to tens of millions of pounds disappearing from the arts economy.¹ At a local authority level, expenditure for all cultural services – including public libraries, entertainment venues, museums, galleries and recreation facilities – has halved across England since 2010.²

As a result, UK culture funding falls way behind European levels.³ According to Eurostat Statistics, UK spend on 'cultural services' as a percentage of GDP was 0.2% in 2019, which ranked the second lowest rate for all European countries. The European average was 0.5%.⁴

Total government expenditure for cultural services as a percentage of GDP

Estonia	1.1
Hungary	1.1
Iceland	1.1
Latvia	1
France	0.7
Croatia	0.7
Lithuania	0.7
Malta	0.7
Poland	0.7
Norway	0.7
Czechia	0.6
Denmark	0.6
Slovenia	0.6
Slovakia	0.6
European Union - 27 countries (from 2020)	0.5
Belgium	0.5
Luxembourg	0.5
Austria	0.5
Finland	0.5
Sweden	0.5

¹ <https://forthearts.org.uk/wp-content/uploads/2020/07/Report-from-Somewhere-Over-the-Rainbow-open-space.pdf>

² https://www.whatsonstage.com/london-theatre/news/local-authority-spending-on-the-arts-halved_55858.html

³ https://www.equity.org.uk/media/3370/equity_arts-policy-2019_final-web.pdf

⁴ Eurostat Statistics, 2019 (Last updated 22-03-2021)

European Union - 28 countries (2013-2020)	0.4
Bulgaria	0.4
Germany (until 1990 former territory of the FRG)	0.4
Spain	0.4
Netherlands	0.4
Romania	0.4
Switzerland	0.4
Italy	0.3
Portugal	0.3
Ireland	0.2
Cyprus	0.2
United Kingdom	0.2
Greece	0.1

The effects of reduced funding for the arts can be seen across England. Our members work across a broad range of settings, from local and national theatres as well as in the community such as schools and care homes. However, it is local authority arts budgets which often reach beyond establishment and elite artists, engaging more diverse and working-class local talent. The creative arts sector also faces wildly inequitable distribution of public funding. While we acknowledge the importance of London as a major cultural centre, the strength of the UK's creative industries is spread across every region and nation.

We welcome the Secretary of State's vocal pledge to get more working-class people into the creative arts sector following our industries' ongoing problem of elitism. The Levelling Up White Paper also committed the government to significantly increase cultural spending outside the capital and 100% of the Arts Council England funding uplift agreed at the latest Spending Review will be spent outside London.⁵

What we need from a government is clear policies and spending commitments to reverse over a decade of austerity and effectively level up opportunities in our industry. We are calling on the government to:

- restructure the UK's centralised Arts Councils into regional structures;
- place funding decisions in the hands of artists and audiences;
- focus any increase in arts spending on the production of a broad range of work;
- establish a more inclusive artistically and socially based criteria for funding.

Levelling up broadcasting

Infrastructure

We are living in the golden age of television, streaming and film production. Despite the challenges of Covid-19, the huge growth of subscription services like Netflix, Amazon Prime and Disney + has drastically increased the volume of content made in the UK. The UK also boasts a network of 35 studio spaces⁶ located around key production hubs - such as London, Cardiff, Belfast and Edinburgh - which support local economies and drive job creation.

However, the current shortage of purpose built studio space threatens the UK's position as a premier destination for content production. Experts have warned that the UK needs 186,000 square metres of extra studio space to keep up with the ever-increasing demand for new content from streaming giants.⁷ That is the equivalent of four more Pinewood studios. Because of a lack of suitable studio space, the UK lost out on filming of 5-10 major movies between 2016 and 2018. If we don't build more studios, we risk missing billions of pounds of investment to rival markets.⁸

⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1052046/Executive_Summary.pdf

⁶ <https://britishfilmcommission.org.uk/plan-your-production/studios/>

⁷ <https://www.theguardian.com/film/2021/jul/10/lights-camera-studio-space-lack-of-production-capacity-hits-uk-film-industry>

⁸ https://www.lsh.co.uk/-/media/files/lsh/research/2018/2018_06_10392_film-studios-research-report-print.ashx

While major expansion projects are underway, not every region is benefitting from these opportunities. For example, there are no major studio production facilities in the East Midlands, West Midlands, East of England, and the North East.⁹

Region	Population	Number of studios
East Midlands	4,804,000	0
South West	5,600,000	1
West Midlands	5,901,000	0
East	6,201,000	0
London	8,908,000	13
South East	9,134,000	4
North West	7,292,000	3
Yorkshire and The Humber	5,480,000	3
North East	2,658,000	0
Scotland	5,466,000	3
Wales	3,228,000	4
Northern Ireland	1,895,500	4

London continues to take up the majority of the UK's production budget.¹⁰

	Primary commission revenue	Reported production budgets
London	55%	53%
Outside of London	45%	47%
Yorkshire	0.3%	1%
South West	12%	13%
South	0%	5%
North East	0%	0%
North West	8%	9%
Midlands	1%	3%
Anglia	0.1%	0.1%
Wales	15%	10%
Scotland	5%	4%
Northern Ireland	1%	1%

The UK Government's West Midlands' Local Industrial Strategy (May 2019) set out the region would take advantage skills, infrastructure and innovation. Creative content, techniques and technologies were outlined as one of the major new market opportunities. According to the strategy, *"The West Midlands' core creative industries have strengths in next generation creative and commercial content creation and as a production centre for higher budget content. Demand is driving investment in new high value TV and film production capacity and a proposed Media Campus at the National Exhibition Centre."*¹¹

Birmingham is second largest city of the UK and a metropolitan borough in the West Midlands metropolitan county. However, Birmingham has only one small studio located in the BBC's Drama Village in Selly Oak where the popular daytime soap *Doctors* is filmed, which cannot accommodate major feature films and high-end television. Some locational filming occurs in and around Birmingham, but the absence of studio space in the West Midlands is seriously undermining its creative economy and leading to an exodus of creative talent. Content production takes place in neighbouring areas. This is driving local creative talent away from the region to other cities, such as London or Manchester.

⁹ <https://britishfilmcommission.org.uk/plan-your-production/studios/>

¹⁰ <https://www.pact.co.uk/members-hub/resourcelibrary.html?q=Pact+Census+2021>

¹¹ [West Midlands Industrial Strategy \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/811111/west-midlands-industrial-strategy.pdf)

Case study: Peaky Blinders

Peaky Blinders has become one of the BBC's most successful dramas since it began in 2013. This hit TV series set in Birmingham follows the infamous gang of Small Heath crooks as they climb social ladders and build a nationwide criminal enterprise. The show offers a rare chance to hear a West Midlands accent on the small screen. Due to the lack of studio space in Birmingham, *Peaky Blinders* hired production offices and studio space at Studio 81 on Kirkstall Road in Leeds. The vast majority of filming took place in the north of England: mainly Leeds, Manchester, and Liverpool with the Black Country Living Museum in Dudley representing the only West Midlands-based shooting location.

Case study: Citizen Khan

Citizen Khan is a BBC sitcom set in Birmingham but filmed and produced elsewhere. This popular family-based TV comedy ran for five series between 2012 and 2016. It was the first UK production based on a Muslim Pakistani family living in the Sparkhill area of Birmingham. Most of the filming took place at the Media City in Salford and at locations across Greater Manchester. Co-creator and writer Adil Ray previously commented by saying: "Although the show is set in Birmingham, for filming purposes it didn't matter so much that we film in Manchester because it's a great city and the location filming was good to do up here." However, the fifth and final series was shot on location in Birmingham.

Case study: Raised by Wolves

Raised by Wolves is a semi-autobiographical comedy series written by sisters Caitlin and Caroline Moran. This six-part series Channel 4 sitcom was broadcast between 2013 and 2016. It is set on a Wolverhampton council estate and follows a loose account of the siblings growing up in the West Midlands, transposed to the modern day. During an interview with *Birmingham Live* in 2015, Caitlin stated: "I wish we could have filmed in Wolverhampton but there just isn't the TV infrastructure there any more because they hardly make any programmes in the Midlands now. It's a shame."

The government recognised that film production "has a critical role to play in levelling up" as a driver of growth and productivity.¹² This needs to happen in every region. Going forward, the UK Government should work with regional mayors, local government and the private sector to secure significant investment for constructing purpose built state-of-the-art multi-studio film and TV complexes across the UK. Partnerships should be created between the studios and universities in the region to construct studio campuses that facilitate training and apprenticeships for young people to become film crews.

Public sector broadcasting

UK public service broadcasting (PSB) media is as important as ever to our culture, democracy, economy as well as to the UK's image on the world stage. The BBC has been a training ground for many artists starting out in the industry. Throughout their careers, many artists depend on the stable work and good terms of the BBC in an often-precarious sector. The BBC's nationwide network is an increasing source of work opportunities outside of London and the South East.

The future of the BBC is currently in question following the announcement that the licence fee may be axed in 2028 and will be frozen for the next two years. This will result in an estimated £285 million funding gap in funding by 2027. The BBC and our PSB system are far from perfect. For Equity members, years of internal privatisation has meant the serious undermining of terms and conditions. There is also a serious lack of accountability at the very top. But instead of bashing our cultural infrastructure, we need a new approach to a universal public service broadcasting, which would support the objectives of levelling up. This could be achieved through a range of measures, such as:

- accelerated regionalisation of PSBs by moving more operations away from London, generating greater content and opportunities in every nation and region of the UK.

¹²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1052706/Levelling_Up_WP_HRES.pdf (p.187)

- increased worker representation on the boards and management structures of PSBs;
- proper accountability of all aspects of decision making, including hiring, firing, pay, and recruitment;

Channel 4

The Channel 4 Publisher/Broadcaster model is unique. Unlike the BBC, it receives no public finance and is funded entirely by its own commercial activities. It costs the UK taxpayers absolutely nothing while guaranteeing investment in the UK's highly successful independent production sector through its commissioning model.

A publicly owned Channel 4 is best placed to deliver real and meaningful levelling up of the creative industries across the UK. By the end of 2021 Channel 4 spent half of its original content budget in the UK's Nations and Regions – 2 years ahead of schedule. By moving its national HQ to Leeds and basing C4's Head of Drama in the city as well as opening creative hubs in Bristol and Glasgow, Channel 4 will create thousands more jobs in an industry that is currently heavily based in London and the South East.

A privatised Channel 4 focused on delivering profits will be far less likely to engage fully in the costly process of scripted commissioning. This will hurt independent production companies and jobs across the supply chain. The Government has refused to publish its own economic impact assessment. However, a study by Ernst & Young found that if the publisher broadcaster model and heightened public service obligations were removed, £2.1bn could be slashed from the supply over a ten-year period and there would be 2,400 fewer jobs each year. Their analysis further suggests that the wider creative sector in the Nations and Regions would be disproportionately affected.¹³ This directly undermines the objectives of levelling up.

Putting public service before profit at zero expense to the taxpayer is vital for Equity members. Only a terrestrial channel with a commitment to pushing the boundaries will lead to innovative stories, and diverse, representative casting in the mainstream. Under-represented groups such as women, black people, disabled people, and the working-class benefit from the innovative and inclusive casting Channel 4 stand for.

¹³ <https://assets-corporate.channel4.com/flysystem/s3/2021-09/September%202021%20-%20EY%20-%20Assessing%20the%20impact%20of%20a%20change%20of%20ownership%20of%20Channel%204%20-%20FINAL.pdf>