

**CREATIVE INDUSTRIES COUNCIL**  
**14.00-16.00, Thursday 27 October**  
**Westminster Conference Centre**  
**1 Victoria St, London SW1H 0ET**

**Attendees:**

**Council Members**

Nicola Mendelsohn	Industry co-Chair
The Rt Hon Karen Bradley MP	SoS DCMS, co-Chair
Hasan Bakshi	Nesta
Josh Berger	Warner Bros
Dinah Caine	Creative Skillset
John Kampfner	Creative Industries Federation
Ian Livingstone	Playdemic Ltd
Stephen Lotinga	Publishers Association
John McVay	PACT
Amanda Nevill	BFI
Caroline Norbury	Creative England
Denise Proctor	Noise
Stephen Woodford	Advertising Association
Jeremy Silver	Digital Catapult
Geoff Taylor	BPI
Jo Twist	UKIE
Alan Vallance	RIBA
Robin Walker MP	DEXEU
Riccardo Zacconi	King

**Sub-group leads**

Sue Eustace	Advertising Association
Janet Hull	IPA
John Newbiggin	Creative England
Andy Payne	AppyNation

**Guests and officials**

Adrian Barker	BEIS
Mike Bartley	DIT
Lea Beckerleg	Welsh Government
Fariba Carr	DfE
Stephanie Cymber	Scottish Government
Clare Devine	Design Council (for John Mathers)
Harriet Finney	Creative Industries Federation
James Heath	BBC (for Tony Hall)

Tracey Heyworth	DCMS (secretariat)
Tom Kiehl	UK Music (for Andy Heath)
Gwyn Owens	DCMS (secretariat)
Lucy Philippson	BBC Worldwide (for Tim Davie)
Judith Rosser-Davies	BFC (for Caroline Rush)
Helen Warren	DCMS
Jon Zeff	Public Policy Consultant

### Apologies

Tim Davie (BBC Worldwide), Tony Hall (BBC), Matt Hancock MP (Minister of State for Digital & Culture), Andy Heath (UK Music), Darren Henley (ACE), John Mathers (Design Council), Caroline Rush (BFC) .

### Item 1 - introductions and matters arising

1. The new Secretary of State for DCMS, the Minister for Exiting the European Union, council members and guests were welcomed.

### Item 2 - Chair updates

2. Ministers acknowledged the economic importance of the UK's creative industries both at home and abroad. The Council were assured of the government's commitment to the creative industries and that the sector was recognised as a key component of the industrial strategy.
3. The PM's statement that though the UK is exiting the EU, it is not leaving Europe was and will continue to be an outward looking, global nation was reiterated. Ministers pointed out that government would be listening to industry throughout the Brexit process to ensure that Britain could continue to be a world leader and groups like the CIC would be extremely valuable in this.

### Item 3 - report on exiting the EU

4. John McVay, Jon Zeff, John Kampfner, Harriet Finney and the rest of the Council membership were thanked for their work on producing the CIC and the CIF reports.
5. Summaries of both reports were presented. The main points were:
  - o Important for the creative industries to be strongly featured as part of:
    - i. Brexit negotiations
    - ii. Industrial strategy
    - iii. Social mobility policy
  - o Areas where action is needed are:
    - i. Securing continued access on favourable terms to EU markets
    - ii. Securing skills and talent supply

- iii. Supporting domestic growth and productivity and opening up wider international markets
  - iv. Ensuring current benefits of EU funding are maintained
  - v. Placing the creative industries at the heart of the industrial strategy and across the UK
- Achieving this will require close collaboration between sectors and government
- Report identified 7 key areas viewed as critical to success:
  - i. Maintaining and building access to international markets
  - ii. Securing talent and skills
  - iii. Protecting intellectual property
  - iv. Stimulating investment
  - v. Supporting innovation and R&D
  - vi. Developing the economies of the nations and regions
  - vii. Promoting effective regulation
- Creative industries are a complex ecology and important to understand the ‘three legs’ of the sector (arts, creative industries and cultural education) when looking at the context of Brexit
- Sectors very keen to retain access to European Capital of Culture programme, given its ability to drive growth and regeneration outside London
- Need to identify way in which sources of EU funding can be captured and how some of their benefits can be replicated post-Brexit
- Believe UK’s EU creative industries workforce is significantly higher than official government estimate of 6%
- Proportion of current international workforce is partly due to skills shortages in UK
- UK also relies hugely on freelance movement of talent - needs to work both ways
- Must look at immigration and visa system that works to ensure access to highly skilled talent - important to remember that this is not always highly paid talent
- Possible to make progress on some of these areas now in advance of Brexit
- DIT should use sector experience and expertise more when looking at export markets
- Free flow of data to and from the EU is particularly important for innovation and business development
- UK government needs to continue to focus on digital single market
- Hope government will confirm continuation and expansion of creative industries tax reliefs
- Would like statements on freedom to continue to invest in the UK
- Keen to work with government on access to finance for SMEs outside London
- Government should conduct a systematic review of EU regulation, with a view to reducing or improving regulation where possible post-Brexit

6. Ministers responded:

- The Great Repeal Bill is planned to bring all of EU legislation into UK law
- Piece of work looking at domestic consequential actions being undertaken
- Reports really helpful for the work government is doing, but industry need to work on drilling down into more detail
- CIs already punch above weight in trading outside the EU, so would like the benefit of industries experience on existing problems (eg - tariffs, regulation etc) and what currently works well
- Aware of issues with freelancers/short-term contracts and difficulty that presents with apprenticeship work - need to find a way to help industry make this work
- Again, industry need to provide more specific detail on skills - ie which areas dominated by EU workers, which by the rest of the world and where are UK workforce skills gaps
- Positive messages from Treasury on funding - organisations should continue to apply to European funding streams - UK is still contributing right up until exit, so should continue to ensure value for money
- Want to look at European funding streams and either maintain access to the best of them or replicate and create our own
- Recognise advantages that have come from European funding streams, but Brexit provides opportunity to make systems work more efficiently
- Agree need to remain engaged in DSM & recognise appetite from EU to retain access to UK expertise in IP/copyright etc
- Will continue engagement with industry

7. The CIC responded:

- Reports are a good start, but not enough - need to go deeper in some areas and provide more granularity
- Need to think about how CIC resources itself to hit key deadline to provide more evidence and the answers that DCMS needs to present the case for the CIs
- The way industries within the creative sector are classified is important - line between creative and tech means some straddle both and SIC codes not always reflective
- Important to define what we mean by goods and services in a digital economy
- Should not just think about how EU is important to UK, but how UK is important to EU (exports vs imports)
- Mutual recognition of qualifications could present good opportunities outside UK
- Tone of messaging coming out of government could be more positive, particularly in making EU workers still feel welcome

Item 4 - sub-group/working group updates

8. Written updates were provided in advance of the meeting by:

- The marketing and communications working-group
  - The intellectual property sub-group
  - The regulation sub-group
  - The regions and clusters sub-group
  - The technical working group
9. The access to finance and growth sub-group chair provided a verbal update. Key points were:
- Too early to reliably gauge impact of vote on private investment of CIs
  - Anecdotally, Creative England's contacts have seen an impact on financing deals and credit terms
  - Looking at collecting robust data
  - Uncertainty creates risk aversion
  - Sub-group's working focusing on:
    - i. Improving networks and sign-posting
    - ii. Supporting tax and incentives investment
    - iii. Improving availability of information and data to inform policy
10. The education and skills sub-group chair provided a verbal update. Key points were:
- Would like to understand how DfE will play into industrial strategy
  - Apprenticeship levy occupying large proportion of group's time
  - Many of the blockages for CIs on finance around levy relate to state aid rules
  - Development of standards for apprenticeships is big piece of work as historically CIs do not use apprentices
  - Ability to voucher swap crucial
11. The intellectual property sub-group chair provided a verbal update. Key points were:
- Digital economy bill proposals welcomed
  - Digital single market - people comfortable with the portability regulation
  - Copyright directive - people comfortable with various exceptions and strong support for value chain provisions
  - Concern over proposals on broadcasters online activities and effect it may have on territorial licensing - crucial to be able to license content on territorial basis
12. The representative of the international sub-group chair provided a verbal update. Key points were:
- Welcome two new ministerial co-chairs
  - Four project groups taking work forward looking at various work strands including digital, communications and exports
13. The diversity sub-group chair provided a verbal update. Key points were:
- Monitoring very important to give baseline

- Launch of project diamond
- UK Music and Publishers Association both recently undertaken diversity surveys
- Organisations have agreed to targets
- Sharing knowledge and best practice through diversity hub on the CI website
- Working across CIC to build up leadership programme

14. No update was required for the digital infrastructure sub-group

Item 5 - any other businesses

15. The group asked whether the CIC report could be used or referred to for other purposes. DCMS pointed out that as the CIC was a joint industry/government body, presenting anything on behalf of the CIC was an issue. However, portions of the report could be used by individual CIC representatives providing it was clear that it was not presented as being from the CIC.
16. It was proposed that there be a review of the sub/working-groups and whether terms of reference needed to be amended to better reflect work going forward in relation to Brexit or if other specific groups should be established.
17. Clarification was sought on the industrial strategy and how industry was feeding in. DCMS explained it was at a very early stage but that this was likely to be set out by government (possibly via a green paper) shortly.
18. NM thanked everyone and closed the meeting.

**Tracey Heyworth**  
**CIC Secretariat**