

CREATIVE INDUSTRIES COUNCIL
Monday 6 November 2017
Macmillan Room, Portcullis House

Attendees:

Council members

Nicola Mendelsohn	Facebook, Industry Co-Chair
The Rt Hon Karen Bradley MP	Secretary of State DCMS, Co-Chair
Hasan Bakhshi	Nesta
Dinah Caine	Creative Skillset
Caroline Rush	The British Fashion Council
Ian Livingstone	Playdemic
John McVay	PACT
Stephen Woodford	The Advertising Association
Darren Henley	Arts Council England
Steven Lotinga	The Publishers Association
Caroline Norbury	Creative England
Amanda Nevill	The British Film Institute
Denise Proctor	NOISE Festival
Alan Vallance	The Royal Institute of British Architects
Jeremy Silver	Digital Catapult
Jo Twist	UKIE
Geoff Taylor	BPI
Andy Heath	UK Music
Rosy Greenlees	Crafts Council

Industry Guests

Jon Zeff	Creative Industries Council
Caroline Julian	Creative Industries Federation (for John Kampfner)
Alina Dimofte	Google (for Ronan Harris)

Nick Toon Warner Bros (for Josh Berger)

Government and Invited Guests

Andrea Young The Department for Digital Culture Media and Sport

Simon Blake The Department for Digital Culture Media and Sport

Liam Nwanze The Department for Digital Culture Media and Sport

Alice Ferguson The Department for Digital Culture Media and Sport

Sue Bishop The Department for International Trade

Carolyn Rae The Scottish Government

Paul Kindred The Welsh Government

Secretariat

Jack Karet The Department for Digital Culture Media and Sport

Emily Rayner The Department for Digital Culture Media and Sport

Gail Caig Creative England

Apologies:

Rt. Hon Greg Clark (SoS BEIS), Tony Hall (BBC), Riccardo Zacconi (King), John Kampfner (Creative Industries Federation), , Esther Horner (Department for Education), Ros Lynch (IPO), Ronan Harris (Google), Josh Berger (Warner Bros), Sarah Weir (Design Council).

Item 1 - Welcome and introductions

Nicola Mendelsohn

Welcomed all and thanked those who worked on the sector deal Ministerial Challenge Sessions. She congratulated the Council on how far it has come and thanked John McVay, Jon Zeff and Deloitte for their work.

SoS DCMS

Welcomed all and informed the Council of the current expansion of DCMS. Spoke of Government's work with industry and stakeholders, explaining that no one part of the process will work in isolation and the sector deal is intended to be iterative. She was pleased with progress on the Early Sector Deal and continued great working relationship between the Creative Industries Council (CIC) and government.

Item 2 - The Creative Industries Sector Deal, an update on current deal and challenge session.

Main Points:

Sector Deal Overall

- Focus is on refining industry's recommendations and how group could make this process better.
- The value of the Council's relationship with government was highlighted, which should be viewed as a long term asset.
- However the Council will have to come back to how it approaches further iterations being woven into the deal as this has not been done before so new working practices will need to be found.

Access to Finance

- The investment working group was referenced, which is trying to fundamentally change how finance organisations see the CI's, particularly difficult as there is not much data.
- It was noted that some elements are contingent on Budget 2017 bids. Emphasis was that the CIC can put forward additional proposals in future rounds.
- Changing investors perception of the creative industries was stressed. It was noted that the finance community wanting to be part of the sector deal is good and keeping this traction is important.

Clusters and Regions

- The AHRC (Arts and Humanities Research Council) centre of excellence has a focus on data and clusters, again a very positive step forward and closely aligned with the Baz review.

- Liaising with metropolitan mayors on the creative clusters was suggested with the council to consider inviting the mayors to a future CIC meeting.
- The Creative Nation paper will be published by Nesta imminently.

Skills and Education

- Strong interest for the CIC to do more work regarding education outside of London.
- There was a focus on industry supporting free schools.
- Attraction to education focus towards the creative industries, and R&D as part of this, are big focuses in the CIC's goals for changing the perception of CI's as a valid career choice.
- In Jan/Feb there will be another wave of bids for free schools however this will need buy-in from both BEIS and DfE.
- The importance of creating a focus on higher education, R&D agenda and teaching.
- It was noted that there was a strategic case for focusing some industry asks on areas where there was alignment with government policy: free schools could be set up as centres of excellence with a goal to one in each creative cluster which would provide real legacy to a deal.

Item 3 - Migration post EU Exit

Main points:

- Access to talent was raised as the number one issue for most of the sector. 6.7% of workers in the creative industries are from the EU. Although this figure is similar to that of the UK as a whole, there are potential risks around the fact that most CI businesses are SMEs and that most jobs cannot be automated, so it may prove harder to fill skills gaps than in other sectors.
- There is a good understanding of the broad issues facing the sector including high prevalence of freelancers and the need for free movement in and out of the EU for project work, as found in previous work from the CIC.
- The MAC (Migration Advisory Committee) is expected to report on EU migration by autumn 2016, with businesses encouraged to submit evidence. A White Paper is expected soon, and an enabling Bill giving government powers over the immigration framework in early 2018. Decisions on the future framework will be taken after the MAC report, reflecting Government's commitment to an evidence-led approach.
- It was highlighted that the Council need to promote the message that the Government want a deal with the EU on this. Industry need to understand this will be a bilateral agreement and an immigration system for them as well as those at the Council. Council members should make that message clear to their counterparts, colleagues and constituents.
- Access to talent is absolutely critical. There was a drain in VG over the last 10 years to Canada due to their tax reliefs that were then helped by introduction of tax relief.

Government and creative industries don't want to be training people only for them to leave the UK and work elsewhere.

- A recent LinkedIn survey that the Advertising Association worked with that showed the UK are a great exporter of talent as well as an importer and that protecting this is key to future global success.
- It was emphasised that by salary threshold is not necessarily a reliable guide to skill levels.
- The immigration system needs to be fast and responsive to emerging skills needs.
- A fast pace re-assurance to the sector is needed especially due to the high number of freelancers.
- Student visa issue is a key part of talent in this country it is important that they stay and contribute to the economy.

Item 4 - Parliamentary Reception and Marketing and Communications Update

- The Council was asked to think about who they can put forward as showcases to inspire other local authorities with regards to regional clusters.

Item 5 - Update from Createch

Main points:

- The Inaugural summit will be on 12 June next year during London Technology Week with 142 speakers over one day.
- Createch is about to sign strategic plan with London Technology Week: 'Createch'. China, Japan, US and Singapore will be attending with an opportunity for valuable networking.
- 1) Ministerial breakfast w/MH 2) Summit 10.30 – 18.00 3) VIP session.
- Business Festival in Liverpool this month as highlighted.
- The importance of showing that we represent industry from all over the UK was highlighted with regard to the location of CIC meetings and events.

Item 6 - AOB

Jo Twist

- Expressed concern on behalf of the video games sector, highlighting issues with Geo Blocking. Classic example of when the legislation isn't keeping up with the sector. Her industry feel like their position at the government table isn't 100%. DCMS policy team to follow up on this.

Nicola Mendelsohn

- Gave a gentle nudge to those of the Council who have not yet contributed to funding policy support for the Council's work.