

CREATIVE INDUSTRIES COUNCIL
12.00-13.30, Monday 11 June
Westminster Conference Centre
1 Victoria St, London SW1H 0ET

Attendees:

Council Members

Nicola Mendelsohn	Industry co-Chair
The Rt Hon Matt Hancock MP	SoS DCMS, co-Chair
The Rt Hon Greg Clark MP	SoS BEIS, co-Chair
Margot James MP	DCMS
Hasan Bakhshi	Nesta
Dinah Caine	Goldsmiths
Rosy Greenlees	Crafts Council
Andy Heath	UK Music
Darren Henley	ACE
Ian Livingstone	Playdemic Ltd
Stephen Lotinga	Publishers Association
Amanda Nevill	BFI
Caroline Norbury	Creative England
Denise Proctor	Noise
Stephen Woodford	Advertising Association
Jeremy Silver	Digital Catapult
Geoff Taylor	BPI
Alan Vallance	RIBA
Sarah Weir	Design Council
Stephen Woodford	Advertising Association

Sub-group leads

Tim Davie	BBC Studios
Janet Hull	IPA

Guests

Paul Bristow	ACE
Aline Dimofte	Google (for Ronan Harris)
Caroline Julian	CIF (for John Kampfner)
Seetha Kumar	Creative Skillset
Nick Toon	Time Warner (for Josh Berger)
Jon Zeff	Independent Consultant to the CIC

Officials

Sue Bishop	DIT
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Simon Blake	DCMS
Tracey Heyworth	DCMS (secretariat)
Elinor Owe	Scottish Government
Jack Karet	DCMS
Paul Kindred	Welsh Government
Rannia Leontaridi	BEIS
Ros Lynch	IPO
Ruth Wye	DCMS

Apologies

Josh Berger (Warner Bros) Ronan Harris (Google) Tony Hall (BBC), John Kampfner (CIF), John McVay (PACT), John Newbiggin (Creative England), Andy Payne (AppyNation), Caroline Rush (BFC), Jo Twist (UKIE), Riccardo Zacconi (King)

Actions

- SoS DCMS and BEIS to raise with DfE counterparts improving DfE attendance and engagement at future meetings.

Items 1 and 2 - welcome from co-Chairs and chairship of the Creative Industries Council

1. Nicola Mendelsohn (NM) welcomed everyone to the meeting. She announced that after seven years as industry co-Chair, she had decided to step down. Particular achievements of the Council she wanted to highlight included:
 - Ensuring the creative industries were speaking with one voice
 - Raising the profile of the creative industries across government
 - Establishing the creative industries as a key area for government policy
2. NM was grateful for the support received from co-chairs throughout her tenure, but paid tribute to Matt Hancock and Greg Clark in particular.
3. Secretary of State (SoS) DCMS paid a strong tribute to NM for being the driving force behind the CIC, pointing out she had been instrumental in helping to define the creative industries and putting them on map. He also praised her leadership in all the work leading up to the Sector Deal.
4. He announced and welcomed Tim Davie (TD), CEO of BBC Studios as Nicola's successor to the role of industry co-chair.
5. SoS BEIS expressed his happiness about the delivery of the Sector Deal and his sadness about NM no longer being in the chair as the CIC's driving force. He talked about the previous fragmentation of industry and said that the Sector Deal would not have happened without NM.

6. NM congratulated TD and John McVay (JM) for their recent inclusion in the Queen's Birthday Honours List.

Item 3 - the Sector Deal delivery update

7. NM briefly outlined the Sector Deal. She thanked JM and the sub-group leads for all their work on delivering the Deal.
8. SoS DCMS reminded the group that he said in March that this was only the start of the process and not simply a one-off document and it there was still a lot of work to do to implement and deliver on the commitments.
9. Ruth Wye (RW) said good progress was being made across key elements from the sector deal with components either already having launched or about to launch - including the Cultural Development Fund (CDF). She pointed out that the CDF covered both culture and the creative industries and that government were keen to ensure that some excellent bids were submitted. She also mentioned:
 - Ensuring the place based elements were maximised
 - Giving close consideration to, both the government and industry led, access to finance pieces that will run alongside this programme
10. Jon Zeff (JZ) provided a brief update including:
 - Some deliverables for industry and some for government, but partnership working was crucial
 - Skills work was already underway to flesh out the careers programme, which aims to identify a new apprenticeship standard
 - Finance work also underway
 - Work on delivering the Get it Right campaign was moving ahead, and the IP roundtables were about to start
 - Industry were putting plans in place to map and support businesses outside London to sit alongside CDF work
 - The Trade group now had an industry secondee, with thanks to TD
 - The Industrial Strategy challenge fund on immersive had just opened for bids
11. Darren Henley (DH) was asked to contribute on ACE's work on the CDF. DH said:
 - The CDF was about the creative industries, culture and heritage
 - ACE has strong expertise and was keen to ensure the best possible engagement in the process, not just for organisations in receipt of public funding, but all of the creative industries
 - ACE needs CIC support in getting these messages out and in approach to assessing bids
12. NM then invited comments from the Council. Points raised included:

- CIC needs engagement from DfE and consistent representation at meeting - **SoS BEIS and SoS DCMS were happy to raise this with DfE counterpart - Action DCMS and BEIS**
- Industrial Strategy and education policy are not aligned and this needs exploring
- Need to work on encouraging investment into IP creation in the UK - with the better protection, IP in the UK will get better return
- Need to encourage more people to invest in production here (not just screen sectors) and consideration should be given to more incentives, including tax credits
- More private finance was needed - the Sector Deal focuses on the 'middle' but more work around the pipeline was needed to better help those at the 'bottom' can get to the right position to enable them to scale up
- Engagement on education is crucial - schools and education priorities are as important as anything faced by the creative industries
- The programme on the audience of the future is the biggest investment in this type of project anywhere in world.
- Leads on to how to build investor confidence in more IP
- Sector Deal delivery should be linked to the productivity review - and design needs to be threaded through STEM
- British Business Bank should be involved in funding discussion - venture capital & angel investment environment not as developed in the creative industries as it is in the tech sector
- Creative businesses around the country represent an untapped resource more - worth joining up a bit more with regions, particularly in light of the new Metro-Mayors

Item 4 - business productivity review

13. NM - introduced Rannia Leontaridi (RL) from BEIS to talk to the Council about the Business Productivity Review. RL talked through some slides - points to note were:

- UK has long-standing productivity gap with G7 countries
- UK has some of the most productive firms in the world, but evidence suggests we have long tail of low performing businesses
- This variation exists across all regions, sectors and firm sizes
- Hypotheses to test:
 - Poor management practices linked to poor productivity
 - Slowdown in tech and knowledge diffusion may be exacerbating gap between most productive businesses and the rest
 - Public and private sector markets for business support are large and complex
- Call for evidence ends 6 July
- Roundtables will be held across the country

14. Points raised during the group discussion included:

- Sharing the Design Council's research on productivity in the sector more widely

- Encourage businesses to adopt tech solutions in the same way consumers have - eg furnishing a salesforce with better tech such as Ipads, could increase individual's client visits by up to 2 per day
- Some SMEs aren't particularly savvy when it comes to acquiring new tech and businesses changes can be time and resource intensive - encouraging co-working or using networks for SMEs could help reduce this burden
- Measuring productivity is difficult and something even economists can struggle with - the problem is with the definition, which currently does not capture many online purchases (eg train tickets)
- Large numbers of smaller companies not performing to their full potential - need to explore how attributes of the most productive can be spread across
- Things that can improve productivity are:
 - Investment
 - Skills
 - Infrastructure
 - Places/clustering
 - Overall business environment
- Sector needs to contribute to better approach to measurement of productivity and better solutions
- Higher digital uptake could leads to showing a drop in productivity, but this clearly isn't the case
- Sensitivity needed around communication of potential solutions on expanding the creative industries and the promulgation of use of insights
- For many SMEs, management practices have not kept pace with businesses growth - some may need help in putting in place the right structures for growth as well as start-up
- Government and industry both supporting digital skills training, but some sessions may need to focus on improving SMEs capabilities across the digital offer

Item 5 - [Createch 2018](#) update

15. Janet Hull provided the group with an update including:

- 500 registered attendees and 66 speakers
- Huge support from DIT and government ministers.
- Programme for the event shared with CIC
- Aiming to represent what we mean by Createch (creatively led businesses using tech and innovation and vice-versa)

Tracey Heyworth
CIC Secretariat