

CREATIVE INDUSTRIES COUNCIL
11:30 – 1:00, Thursday 27th June 2019
Department of Digital, Culture, Media and Sport
100 Parliament Street, Westminster, London, SW1A 2NP

Attendees:

Council Members

The Rt Hon Jeremy Wright QC MP
Tim Davie CBE
Alan Vallance
Alex Mahon
Andrew Thompson
Caroline Rush CBE
Darren Henley
Debbie Bestwick MBE
Dinah Caine
Geoff Taylor
Hasan Bakhshi MBE
Janet Hull OBE
Jeremy Silver
Jo Twist
John McVay
Kanya King OBE
Lee Brooks
Michael Dugher
Stephen Lotinga
Stephen Page
Stephen Woodford

Secretary of State, DCMS, Co-Chair
BBC Studios, Industry Co-Chair
RIBA
Channel 4
Arts and Humanities Research Council
British Fashion Council
ACE
Team 17
Goldsmiths
BPI
NESTA
IPA
Digital Catapult
UKIE
PACT
MOBO
Production Park
UK Music
Publishers Association
Faber & Faber
Advertising Association

Officials

Georgina Berry
Heather Holmes
Jennifer Kimber
Lidia Gasiorek
Lucy Phipps
Paul Kindred
Robert Specterman-Green
Sam Lister
Simon Blake

DCMS
Scottish Government
DCMS
DCMS
DCMS
Welsh Government
DCMS
BEIS
DCMS

Guests

The Rt Hon Caroline Nokes MP
Ben Rogers (for Amanda Nevill)
Caroline Julian (for Alan Bishop)
Carys Taylor
Clare Corbett
Deborah Dawton (for Sarah Weir)
Gail Caig (for Caroline Norbury MBE)
Ian Rimington
Jon Zeff

Home Office
BFI
Creative Industries Federation
BBC Studios
RIBA
Design Business
Creative England
ACE
Consultant to the CIC

Apologies

The Rt Hon Greg Clark
Margot James MP
Alan Bishop
Amanda Nevill
Annette King
Ronan Harris
Rosy Greenlees OBE
Sarah Weir OBE

Secretary of State, BEIS
DCMS
Creative Industries Federation
BFI
Publicis Groupe UK
Google
Crafts Council
Design Council

Actions:

Immigration

- Immigration Paper
 - Clare Corbett to make final edits to paper in light of discussion and circulate to CIC for any last comments before submission to Government.
 - Clare Corbett/Jon Zeff to circulate “core script” of suggested key messages, for CIC members to draw on in their own public communications around the Immigration White Paper.

Sector Deal Update:

- DCMS committed to identify parallels and gaps in the differing Sector Deal Programme measurement and evaluation frameworks, in consultation with others, ahead of the next CIC meeting (24 October).

Priorities

- Working Groups (**WGs**) to develop the proposals summarised in the paper, including any potential cases for this year’s Spending Review, for discussion of fully worked up ideas at next CIC meeting. (Jon Zeff to coordinate.)
- Jon Zeff to discuss with DCMS any further input needed to ensure there is a strong supporting narrative for the creative industries in DCMS’s spending review work.
- Tim Davie/Jon Zeff to finalise wording on the Diversity Pledge, and recirculate to the CIC ahead of publication the following week.
- Diversity WG to consider next steps, including mechanism for tracking and reporting on progress.
- Dinah Caine to provide a steer on how best the CIC can support the Education WG’s lobbying efforts, as it develops thinking on priorities.
- All sub-groups to identify clear next steps by the next CIC meeting.

Item 1 – Immigration Paper

1. Clare Corbett (**CC**) introduced the CIC’s response to the Immigration White Paper and thanked everyone who contributed. She briefly summarised the Paper, emphasising that the CIC’s response is a summary of key cross-sector issues that are common to the Creative Industries (**CIs**), but that does not reflect very specific sector concerns.
2. CC highlighted:
 - a. the use of international talent is crucial to CI sectors (10% of CI talent comes from abroad);
 - b. the high proportion of SMEs in the sector, which means that many businesses do not have the resources (financial or personnel) to deal with increased bureaucratic / administrative challenges;
 - c. the notable amount of freelancers in the CI workforce;
 - d. strong support for visas for freelancers and short term travel; and

- e. the support within the CIs around digitising and streamlining the visa process to achieve a faster turnaround for visas to be issued.
3. There were specific comments made from the floor, including:
 - a. It would be useful for the salary threshold to be reconsidered through consultation, as salary doesn't work effectively as an indicator of approximate skill in this sector;
 - b. It could be worth trying to distinguish more clearly between recommendations that will be actively supported elsewhere (e.g. by universities – Tier 1 / salary threshold / 2-year post work visas), and those that are more specific to the CIs (e.g. freelancers – Tier 5). This is to increase the potential for support for the proposals from other sectors;
 - c. Caroline Nokes (**CN**) welcomed the CIC's input and affirmed the Government's desire to work collaboratively with industry, including via the Employers Advisory Group. She recognised the creative industries' particular concerns, including around issues of freelancers and temporary movement;
 - d. On the salary threshold, industry need to understand the position ministers are in given the political reality; industry need to continually emphasise the importance and economic contribution of these sectors;
 - e. Labour mobility was highlighted as a key concern. It was vital to focus on 'talent' as well as 'skills' (for example, the music industry comprises many self-taught musicians with no specific qualifications) to ensure that a new immigration regime accurately represents the needs of the sector;
 - f. Alan Vallance (**AV**) identified that RIBA is trying to become a sponsor organisation, but is finding the process challenging to engage with;
 - g. The common themes include the salary threshold (the MAC will be looking at this from a regional and sectoral point of view again this week), and it is crucial to be in a position where we can grant visas within 2-3 weeks as well as simplifying the process of becoming a sponsor;
 - h. The importance of strengthening collaborative working was highlighted, particularly when the future immigration system is introduced from 2021 in order to bring about a streamlined approach;
 - i. The issue of freelancers is another common theme, and it is important that we find a way to tackle it, such as umbrella sponsorship.
 4. Next steps discussed were the following:
 - a. CC will make final edits to the paper based on the discussion and circulate to CIC for any final comments before it's formally submitted to Government;
 - b. Dinah Caine (**DC**) suggested that it would be useful to distil the key messages as a core script that members could draw on in public communications hereafter.

Item 2 – Welcome from co-chairs

5. Tim Davie (**TD**) formally opened the meeting, giving apologies from those who were unable to attend.
6. The Secretary of State for DCMS (**SoS DCMS**) identified that there are two substantial events to consider: Brexit and the Spending Review (**SR**). On Brexit, he informed the CIC of no immediate update, but stated the need to prepare ourselves as far as possible. Preparations should include considering the consequences on immigration and alternative arrangements in a No Deal scenario, as well as stop gap measures. On the SR, he stressed that whether the term is one or three years, the economic contributions the CIs make should continue to be underlined. Industry was encouraged to highlight and communicate impactful stats, such as the fact that the CIs

contribute more to the economy than the automotive industry. These send a powerful message and one that is, arguably, not well understood. He also pointed out that creativity will not be replaced by AI and can continue to grow apace, demonstrating the sector's continued strength and relevance. He suggested that the CIC utilises what has already been achieved through the sector deal as examples.

7. Specific points from the floor included the following:
 - a. TD pointed out that there is the chance for industry to create a powerful growth story here, which it should consider as an uplifting challenge. He asked the WGs to consider what ambitious but achievable cases they can make this year and next, in the context of their work on priorities;
 - b. DCMS highlighted that timing remains unclear and, though we won't have complete certainty until the political climate settles, time remains of the essence. DCMS will do what we can to champion the position of industry, but there will need to be a realistic assessment of what is and isn't fiscally achievable. It was pointed out that the SR is not the only opportunity to obtain funding; the CIC should also focus on what already exists.
 - c. BEIS pointed out that there may be some elements that roll over in the SR and that industry needs a strong, strategic agenda.
 - d. There were useful Employment Estimates published on 26 June that should be considered. For example, the CIs made up 6.2% of UK jobs in 2018; the number of jobs in the Creative Industries increased by 30.6% from 2011 (three times the growth rate of employment in the UK overall - 10.1%). Consider also the statistics around architecture, music, and publishing.
8. TD congratulated Janet Hull and Christine Loosecat for their work on Createch, which had again been a success, and thanked Annette King and other board members for the launch of the CITIB three-year export strategy, which set out a range of actions for industry and government to boost international trade. The sector now needs to explore how to analyse/monitor the work being undertaken.

Item 3 - Sector Deal Update

9. Lucy Phipps (**LP**) provided a brief SD update summary. She commented on the great achievements that have been made since the SD launch over one year ago, and highlighted that work is continuing on the Creative Scale-Up pilot with DCMS support. She stressed, however, that it is key that we look at clear evaluation frameworks for each project in order to receive a coherent picture at the next CIC meeting. Jon Zeff (**JZ**) noted that key industry-led elements were making good progress, including Creative Kickstart which would hold its first event in Wakefield in September. He welcomed consensus on priority apprenticeship standards and the commitment from DCMS to review measurement and evaluation arrangements across the SD programmes to maximise consistency.
10. Other comments from the floor included:
 - a. There will be a Creative Careers week in November: CIC members were encouraged to get involved;
 - b. The CIC needs to help bring in industry expertise and stakeholders for Creative Kickstart. TD pointed out that Creative Kickstart was an industry commitment under the Sector Deal and so it is important to bring industry heavyweights to the programme;
 - c. There is an amazing amount of valuable work being undertaken in this field. In relation to the SR the CIs need to show that they are more joined up and integrated than any other sector. For example, the CIC could take the lead in creating a strong, connected piece about

- how our work leads to LISs / universities / local partnerships / investment, etc. to make the strongest possible case for the SR;
- d. TD suggested that the WGs need to agree some KPIs, and spend time considering how to connect their individual, very strong stories;
 - e. DCMS SoS reiterated that government should and will invest in what the industry can prove works and show successful models; there are powerful arguments to be made for building on success and showing evidence of what has worked previously to the Treasury. The CIC should place its focus here. Cultural activity could also be linked to jobs / growth;
 - f. There is a link to be considered around tech growth (e.g. Createch). Especially outside London there are pockets of growth with common themes;
 - g. This is an opportunity to reconsider definitions of growth/value, rather than focusing on job impact. The CIC were encouraged to consider case studies from the DBA awards, which demonstrate the catalytic impact of creative investment.

Item 4 - Working Group Priorities

11. TD opened this item with an update on the new diversity pledge that he encouraged the CIC to adopt. He highlighted that he has received very positive feedback on the proposal, and that, while the pledge will set a high level, it will require real buy in and action from CIC members. TD noted that there was one very specific drafting point still to be resolved; the final text would then be circulated by the end of the week.
12. Other comments included the following:
 - a. SoS DCMS stated that the Diversity Pledge offers a real opportunity to mark what the CIC considers to be important in this sector. He commented that there are very few sectors who can say that individual human capital is what drives their sector's success; a lack of diversity is very simply wasted talent. The commitments set out in the Diversity Pledge are not legally binding targets, but it's a start in a process from which all members of the CIs will benefit, and an opportunity to bring in real capital to the CI sector;
 - b. The BFI are about to embark on a piece of delicate data collection surrounding diversity and invited input from the CIC;
 - c. It is clear that the CIs invest in a plethora of courses. The CIC need to consider how to collect data for both accredited and non-accredited causes, as the sector is potentially investing more than is recorded;
 - d. The Creative Careers Programme will be delivering training on recruitment across 200 employers, as well as setting up industry champions (more on this to follow). It was suggested that CIC members should get involved with Creative Careers week;
 - e. There were questions raised as to how the Diversity Pledge should be promoted and a recommendation that case studies be used to bring it to life. TD suggested an announcement by senior politicians, after which the CIC members could disseminate to relevant contacts in members' individual remits or publish it on their websites;
 - f. It was agreed that there is a great will to act in relation to diversity, but there is a lack of case studies and collectivity; industry needs a place to find and collate positive examples;
 - g. DCMS are supportive and want to encourage collaboration, as well as champion the excellent progress that has already been made, but there is a challenge to bring this all to life;
 - h. JZ noted that the Diversity WG were planning to commission a high-level progress report on diversity and inclusion for the Autumn, which would be funded from CIC's central budget.
13. Subject to resolution of the final issue specified by TD, the CIC agreed to formally adopt the pledge.

14. In response to the specific areas of focus:

a. CLUSTERS

- i. JZ emphasised the need to capture what evidence we are already getting from existing initiatives as a priority in order to create a concrete narrative about the impact of the place-based programmes. He mentioned that the WG have been considering the broader questions of helping authorities develop their Local Industrial Strategies in order to champion the CIs.
- ii. TD explained that John Newbigin will continue to chair this group until a successor is identified.

b. EDUCATION

- i. DC expressed the need to draw the CIC's attention to the Augur Review which is looking at post-18 funding for further and higher education. The review is in discussion in line with the SR.
- ii. AI/robotics presents challenges and opportunities to the sector (and the wider economy) and we need to consider how we are to manage our strong talent pipeline in relation to changing skills needs. There are difficult issues around valuation of different subjects – it's important that value is considered in the round, including skills needs, and social, cultural and economic impacts, as opposed to a narrow focus on short-term earnings. There are real risks of creative subjects being downgraded in favour of STEM (also important for the creative industries). The WG is aiming for a clear narrative to counteract the notion that creative subjects are low value. The question was raised as to how the WG should best communicate their views; BEIS was asked how such an approach would fit with its focus on the 4th industrial revolution, and the central role of creative jobs and the CIs within that. There was an ask for CIC members to be ready to support the group's lobbying around this.
- iii. The CIs as a sector tend to struggle to gain traction with Government in this area - it would be helpful for the WG to advise on the levers available to improve this.
- iv. On apprenticeships, DC affirmed that good progress has been made on standards, but there remain significant difficulties for the CIs in engaging with the apprenticeship system. Stephen Page noted that the WG's apprenticeship subgroup is drawing up a paper on this, with practical proposals, including possible pilots around Apprenticeship Training Agencies (creating centres where we can manage apprentices across several placements).
- v. The Apprenticeships subgroup are drafting a list of recommendations. The paper outlining the industry ask is imminent. The group will need some means to create proof of concept, which will be a future priority.

c. IP / Investment

- i. Geoff Taylor (**GT**) noted that the five priorities in the paper, including further improvements in copyright enforcement and setting baseline principles for trade negotiations. The Investment WG are formulating a case to increase availability of early stage finance, and to create an evidence base demonstrating the value of investment in CIs, as well as mapping incentives in major countries and recruiting more angel investors.

d. R&D / INNOVATION

- i. Jeremy Silver (**JS**) affirmed that the WG should work closely with clusters to ensure cohesion and that the regional stories are heard. Work is currently being done to

- understand why a disproportionately small amount of public innovation funding goes to our industries.
- ii. The WG is interested in new technologies (AI / 5G), which potentially offer major new opportunities. The WG is looking at proposals to build cases for 5G, and to enable smaller businesses to benefit from adoption of AI.
 - iii. Maintaining engagement between tech and creative businesses is important, and although it presents a challenge, industry are clearly interested in the potential cross-over here.
 - iv. As society moves into this next period of technological disruption, R&D should focus more on 'Development', and on the application of research that has already been undertaken.

The emerging proposals in the paper were broadly endorsed. TD noted that the next stage would be for WGs to work them up more fully by identifying clear next steps.

Item 5 - Introduction to the PEC

15. Hasan Bakhshi (**HB**) provided an introduction to the PEC. HB explained that the PEC is funded through the Industrial Challenge Fund and highlighted the vision and goals of the policy centre. The PEC's consortium structure is key to its ambition to serve policy needs throughout the UK, and the Paper shows the ambitious ways in which the PEC wishes to engage with industry, including, critically, through the CIC. The PEC will therefore engage regularly with the CIC, and PEC representatives will be present at WG meetings to oversee progress. As an early priority, the PEC will consider data gaps that should be filled; HB encouraged members to come forward with questions in order to identify these.
16. TD identified that there is a nice fit here for the WGs, who will be able to ask whether they have the data they need in order to best move forwards. DC suggested that it would be helpful to see what has been agreed as a programme/body of work and that this is communicated to everyone on an ongoing basis.

Item 6 - AOB

17. The Creative Industries Annual Autumn Reception will take place on 22nd October in the House of Commons.

Lidia Gasiorek
CIC Secretariat