

CREATIVE INDUSTRIES COUNCIL
14.30-16.30, Monday 27 June
Meeting Room 2/39, DCMS, 100 Parliament St, London SW1A 2QB

Attendees:

Council Members

Nicola Mendelsohn	Industry co-Chair
The Rt Hon John Whittingdale MP	SoS DCMS, co-Chair
The Rt Hon Sajid Javid MP	SoS BIS, co-Chair
Josh Berger	Warner Bros
John Kampfner	Creative Industries Federation
Dinah Caine	Creative Skillset
Ian Livingstone	Playdemic Ltd
Stephen Lotinga	Publishers Association
John Mathers	Design Council
John McVay	PACT
Caroline Rush	British Fashion Council
Jeremy Silver	Digital Catapult
Geoff Taylor	BPI
Jo Twist	UKIE

Guests

David Abraham	Channel 4
Sue Bishop	UKTI
Clare Corbett	RIBA (for Alan Vallance)
Stephanie Cymber	Scottish Government
Tim Davie	BBC Worldwide
Sue Eustace	Advertising Association (for Tim Lefroy)
Janet Hull	IPA
Tom Kiehl	UK Music (for Andy Heath)
Paul Kindred	Welsh Government
Ros Lynch	IPO
Phil Maggs	Frontier Economics
John Newbigin	Creative England
Nick Toon	Time Warner
Rosa Wilkinson	IPO (for Caroline Norbury: A2F Group)

Apologies

Ed Vaizey MP (Minister of State for Culture & the Digital Economy), Janet Archer (Creative Scotland), Dawn Ashman (ACE), Hasan Bakhshi (NESTA), Michelle Campbell (Scottish Government), Tony Hall (BBC), Andy Heath (UK Music), Darren Henley (ACE), Tim Lefroy (Advertising Association), Amanda Nevill (BFI), Caroline Norbury (Creative England), Andy Payne (AppyNation) Denise Proctor (NOISE) Alan Vallance (RIBA) Riccardo Zacconi (King).

Item 1 - introductions and matters arising

1. Nicola Mendelsohn (NM) welcomed council members and guests. There were no matters arising and the minutes of the last meeting were agreed.
2. Item 2 (chairs' updates) was put back for the arrival of the Secretaries of State

Item 3 - strategy refresh

3. Janet Hull (JH) introduced the *Create Together* strategy to the group, and set out arrangements for the launch event at the House of Commons on 4 July
4. Following discussion, it was agreed that the strategy should be published as planned on 4th July, with key messages delivered at the launch taking account of the referendum result. It was also agreed that the document would be updated at the end of the year to take into account the referendum result. **Action: CIC Comms and Marketing sub-group**

Item 4 - strategy presentations and discussion & item 2 - chair updates

5. It was agreed that this agenda item should be replaced with a discussion around the potential implications of the EU referendum result for the sector. The Secretaries of State joined the meeting for some of this discussion. The main points were:
 - the need for continuing influence over development of the digital single market
 - the importance for businesses of retaining the ability to attract skilled talent from across Europe and globally
 - the importance of early assurances that Britain was 'open for business'
 - the future existing policies such as creative content tax reliefs and the apprenticeship levy
 - the continuing importance of government support for the sector
 - a welcome for Government's willingness to work with industry going forward
 - the importance of industry offering positive messages publicly, to give confidence to inward investors
6. John Kampfner (JK) highlighted some of the work that the Creative Industries Federation had planned including a series of roadshow events across the UK and said the Federation was keen to involve the CIC in this work.
7. It was agreed that a new sub-group of the CIC be established to take forward industry's views on negotiations for exiting the EU, and that the CIC and CIF should work together to avoid duplication. NM asked for a volunteer to lead and participate in the group. She said that she would discuss this in more detail with John McVay, who had expressed interest in being involved, and asked CIC members to suggest names to participate in the new sub-group. **Action: CIC members**

Item 5 - working group updates

8. This item was omitted.

Item 6 - Charlie Mayfield productivity report

9. NM introduced David Abraham (DA) to present on the Channel 4 sponsored, Frontier Economics report *Absorptive Capacity: Boosting Productivity in the Creative Industries*. The main points raised were:

- the UK has a world-class reputation for creative output
- creative industries characterised by micro-businesses and freelancers - 90% of creative businesses have no more than 5 employees, 80% no more than 2 and 60% just one
- productivity in creative industries typically increases with firm size
- London was particularly important as a centre for creativity, but other creative clusters across the UK were of growing importance
- digitisation & the shift to mobile technology had had a disruptive and transformative effect on most creative sectors in every part of the value chain
- four key steps to promote growth & productivity were identified:
 - i. promoting a commercial mindset
 - ii. addressing the falling of half-life skills
 - iii. demonstrating to investors and policy makers the value of intangible and unique outputs
 - iv. promoting a diversity of talent
- these steps could benefit all creative businesses, but specifically for micro businesses and SMEs

10. In discussion the following points were raised:

- intermediaries who sit between the creatives and investors could play an important role
- partnerships between large and small businesses can increase the productivity of the latter
- there was a lack of benchmarking data for productivity

11. DCMS confirmed that productivity would be a focus of future creative industries economic estimates.

Item 7 - Scotland - 2016-17 Creative Industries Strategy

12. This item was deferred as Janet Archer was unable to attend the meeting.

Item 8 - any other businesses

13. NM wanted to acknowledge the work of Emma Quinn as the previous industry secondee in helping pull the strategy together. She said it was an extremely important role and asked members for suggestions for a new secondee, stressing the need for someone to be in place as soon as possible. **Action: CIC members**

14. She went on to remind the CIC that membership was being reviewed on an annual basis and would welcome recommendations for future membership. **Action: CIC members**

15. NM thanked everyone and closed the meeting.

Tracey Heyworth
CIC Secretariat