**CREATIVE INDUSTRIES COUNCIL (CIC)**

**Meeting 2.30pm, Wednesday 5th June 2013**

**Venue: BIS Conference Centre, London SW1H 0ET**

**MEETING SUMMARY**

**Attendees:**

CIC Members

Nicola Mendelsohn Industry Co-Chair

Maria Miller Secretary of State for Culture, Media and Sport, Co-Chair

Dr Vince Cable Secretary of State for Business, Innovation and Skills, Co-Chair

Hasan Bakhshi NESTA

Victoria Barnsley HarperCollins

Josh Berger Warner Bros

Baroness Bonham Carter

Dinah Caine Creative Skillset

Alan Davey Arts Council England

Tim Davie BBC

Andy Heath UK Music

Alex Hope Double Negative

Paul Latham Live Nation/CC Skills

John Leech MP

Ian Livingstone Eidos

John Mathers Design Council

John McVay Producers Alliance for Cinema & Television (PACT)

Amanda Nevill British Film Institute (BFI)

John Newbigin Creative England

Andy Payne UKIE/Mastertronic

Harry Rich RIBA

Caroline Rush British Fashion Council

Jeremy Silver Technology Strategy Board (TSB)

Geoff Taylor British Phonographic Industry (BPI)

Ed Vaizey Minister for Culture, Communications and Creative Industries

Gwyn Owens CIC Secretariat, DCMS

Helen Mainstone CIC Secretariat, BIS

Guests

Viscount Younger (Parliamentary Under Secretary of State, BIS), Sue Bishop (UKTI), Janet Hull (IPA), Kip Meek (Chair, CIC Creative Finance Network) ), Allen Mottram (Igentics), Ed Quilty (Intellectual Property Office), Becky Foreman (Microsoft UK), Sarah Hunter (Google), Nick King (Special Advisor, DCMS), Emily Walch (Special Advisor, BIS)

Apologies

Dan Cobley (Google), Adam Crozier (ITV), Jeremy Darroch (BskyB), Katja Hall (CBI), Andy Hart (Microsoft UK), Jason Kingsley (Tiga, Rebellion), Tim Lefroy (Advertising Association), Murdoch MacLennan (Telegraph Media Group), Patrick McKenna (Ingenious), Richard Mollett (Publishers Association), Christopher North (Amazon UK), Sir John Sorrell (Sorrell Foundation), David Sproxton (Aardman), Stewart Till (Icon UK/ Creative Skillset)

**1. Introductions**

1.1 Nicola Mendelsohn (NM) outlined a number of initiatives undertaken since the last Council meeting, and welcomed Amanda Nevill, BFI, as a new Council Member.

1.2 Actions from the previous meeting were either completed or covered in the agenda. She introduced two papers tabled for information updating on the copyright consumer education and schools policy workstreams.

**2. Data & Measurement Update**

2.1 Hasan Bakhshi (HB) updated the Council on the DCMS consultation on classifying and measuring the creative industries. The consultation had been launched in April, with a deadline for responses of 14th June, and posed questions on which SIC and SOC codes should be considered creative and how these should be aggregated. He felt that industry had broadly welcomed the proposals, although there were concerns from some sectors over the proposed aggregated groupings, and some debate over proposals for the three ICT sector codes.

2.2 In discussion, it was noted that a UK Music survey had identified that a significant proportion of music companies had not been coded correctly, and that UK Music would be producing its own statistics in this area. There was support for the Government entering into international negotiations to review the SIC and SOC codes. HB explained that the overlap between the information economy (ICT) and creative industries groupings of sectors need not be problematic: these SIC codes were both ICT and creative, and should be recognised as such. Ian Livingstone (IL) stressed the importance of games and other creative businesses in the relevant codes being classified as creative industries.

**3. Skills Update**

3.1 Dinah Caine updated the Council on the Skills Working Group work programme and sought Council support for the Group’s position on tax implications for training freelancers, and its guidelines for employers offering work placements in creative industries. The Group was concerned that HMRC’s inclusion of training as a factor in determining employment status was a barrier to freelancer training and growth. CIC Members were asked to support an industry-wide campaign to promote best practice in the provision of work placements, based on the Group’s guidelines.

3.2 Maria Miller said that the provision of good quality work placement opportunities was important in helping young people get into work and realise their ambitions. HMT determined policy on employment status, and the Skills Group would need to present clear evidence that this was a barrier to growth and how the proposed change would address this.

**4. Access to Finance Update**

4.1 Kip Meek introduced his paper on behalf of the new Creative Finance Network (which superseded the Access to Finance Working Group), updating the Council on progress in this area. An embryonic Advisory Board was in place, but with limited administrative resources. The work programme would not duplicate efforts elsewhere, and was aimed at making existing funding schemes more accessible rather than establishing new funding programmes. The budget was not yet finalised, but only a small proportion of it would come from new money. The aim was to have a budget and work plan in place by the end of the year.

4.2 In discussion, it was agreed that a key issue was awareness of existing schemes, rather than a lack of funding opportunities. UK Music was developing a website to help tackle this, which would offer specialist advice on accessing funding. It was agreed that “white label” information on existing schemes could be a resource for use by all creative industry sectors. Other ideas discussed included networking events and help for businesses preparing for meetings with potential investors. Vince Cable offered BIS support in taking ideas forward.

**Action – UK Music to work with Creative Finance Network and other interested CIC Members to adapt and disseminate “white label” information on access to finance, and share useful information and develop ideas, with support from BIS.**

**5. International Agenda**

UKTI Work Programme

5.1          Sue Bishop (SB), Director of Service Industries at UKTI, outlined their work programme and progress with setting up a new Sector Advisory Group for the creative industries, to be co-chaired by Ed Vaizey and a senior industry representative.

5.2          SB outlined the work of core teams in London, overseas commercial officers, and the wider creative industries advisory resource. In 2012 UKTI helped UK businesses generate over £49.6bn in additional sales, with over 3,000 creative industries businesses participating in UKTI-led events.  Creative industries accounted for almost a quarter of UKTI’s budget for the Trade Access Programme (TAP), which helped companies exhibit at overseas trade shows.

5.3          In discussion it was suggested that UKTI should provide more information about the creative industries’ use of the TAP, in order to consider whether there may be a case for demonstrating potential additional benefit from the scheme.  It was suggested that UKTI look at both business to consumer and business to business opportunities, and that it could assist the IPO’s work in tackling piracy.

**Action – UKTI to provide the CIC with further data on its TAP programme for creative industries.**

Learning from Other Countries

5.4 Tim Davie gave an update on his work developing a narrative for promoting the creative industries overseas, and looking at what incentives were used by other countries to promote creative industries export growth. He invited CIC Members to participate in this project, perhaps supported by a secondee, and offered to update the Council on progress at the next meeting.

**Action – Council Members to confirm to TD whether they wish to participate in the group to develop a creative industries narrative.**

**Action - TD to provide an update on this work programme at the next Council meeting in November.**

Creative Industries Website, Events Calendar and Global Competitiveness Index

5.5 Janet Hull (JH) updated the Council on work setting up a website to promote the creative industries, as well as developing a global competitiveness index. The website’s focus was on business to business export and inward investment opportunities. It would allow users to see the UK’s relative position globally, and contain robust statistical data, case studies, news and a calendar of events, linking directly with Facebook’s GREAT campaign. A soft launch was planned for September. Additional funding would enhance the site. Funding would also be needed to make progress with the global competitiveness index.

5.6 In discussion a number of drafting and content suggestions for the website were made. It was suggested that the site could highlight regional and local case studies; and have a section on software and technology, perhaps alongside games.

5.7 A comprehensive forward look of creative industries-related events was needed for the site and wider use. SB agreed to share information on UKTI events with JH.

**Action – UKTI and CIC Members to share information on future events with JH for the events calendar**.

**Action – JH to take forward drafting suggestions for the prototype website.**

**Action – Council Members to consider further sources of funding for the website.**

**6. Intellectual Property – EU IP Issues**

6.1 Viscount Younger, Parliamentary Under Secretary of State, BIS, and Ed Quilty, Copyright and IP Enforcement Director, IPO, updated the Council on EU IP issues. Viscount Younger (JY) explained that the European debate on copyright had intensified over the last few years. As a net exporter of copyright content the UK needed to ensure that its industries had the right European framework to thrive.

6.2 Ed Quilty (EQ) updated the Council on the status of relevant European IP legislation. In discussion, Members posed the question as to whether the Government's implementation of the Hargreaves copyright agenda created a perception elsewhere in Europe that the UK had a different agenda on copyright than other members of the EU. Ed Quilty pointed out, in relation to copyright exceptions, that much of what the UK was doing or proposing to do was to take up possibilities which were inherent in the EU Infosoc Directive, and which were in place in the rest of Europe but absent in the UK. It was noted, however, that the UK's position on private copying exceptions did not envisage the need for compensation, as was found in many other European state. It was also noted that the UK's exception was relatively narrow in scope, and narrower than in many other EU countries.

6.4 NM suggested that a separate meeting be arranged between the IPO and interested members of the CIC to discuss this further, as necessary.

**Action - IPO to arrange meetings with interested Council members as necessary.**

**Action - Council Members to inform the Secretariat if they want to be involved in this meeting.**

**7. Council Composition and Future Priorities**

7.1 NM stressed the importance of Council Members continuing to engage with the work programme, and hoped the Council would be ambitious and strategic in the future, enhancing collaboration in creative industries and supporting growth. With the basic building blocks in place, the Council needed to look ahead to identify future priority work areas.

7.2 In discussion, support was expressed for developing a common narrative and strategy, including for engaging with MPs, to improve understanding of the sector, tying in with the work outlined by Tim Davie and the creative industries website. It was agreed that the Council had made much progress since its establishment, and there was support for the role of an independent industry Co-Chair. It was suggested that the Council could benefit from regional, SME and micro-business representation and a greater role for the ICT sector.

**Action – Co-Chairs and Secretariat to consider proposals for the future composition and priorities of the Council.**

**8. AOB**

8.1 Baroness Bonham Carter mentioned that she would be leading a creative industries trade delegation to Mexico later in the year. Ian Livingstone mentioned the launch of the Make Things Do Stuff initiative. Andy Heath highlighted the Music Manager IP game, which UK Music had developed with Aardman Productions. There was support from Council Members to explore the scope for widening this initiative to cover other creative industry sectors.

8.2 The next CIC meeting would take place 2pm-3.30pm, Wednesday 27th November, venue tbc.

**Action – Ian Livingstone to circulate details of the Make Things Do Stuff initiative to Council Members.**

**Action – UK Music to work with Aardman, the IPO and Council Members to explore the scope for expanding the Music Manager IP game to cover the creative industries more widely.**

**CIC Secretariat**

**27 June 2013**