#### <u>Speech: Jeremy Wright speech at the</u> Creative Industries Federation Summit

Good afternoon everyone.

It is wonderful to be here and it is a real honour to represent our world-leading creative industries in my role at DCMS.

Our creativity is our calling card to the world.

And it can be found everywhere you look.

A few weeks ago I visited the Koestler Trust, a brilliant organisation that brings culture and creativity into our prisons, supporting offenders and exoffenders.

The founder of the charity, Arthur Koestler, once said "The principal mark of genius is not perfection but originality, the opening of new frontiers."

And there is so much originality to be found in our creative industries.

That's why our recording artists accounted for 8 of the top 10 artist albums in 2017.

Why our films earn one sixth of total global receipts.

And why we're the world's largest exporter of physical books.

And this originality isn't just pivotal to our wellbeing and enjoyment, it's pivotal to our economy and our standing as a nation.

The cultural and creative industries are at the heart of our soft power and they help fly the flag for the best of British abroad.

For example, Sherlock is watched by 70 million people in China alone and has driven an influx of visitors to Baker Street.

Whilst the success of Downton Abbey brought visitors from across the world to our National Trust properties, it even led to a spike in demand for British butlers...

The UK recently returned to first position in the Global Soft Power Index — and this rise has been driven by our creative industries.

The report praised the strength of our globally respected brands, like the British Council and the BBC World Service. And there are many more here today.

You are ambassadors for our nation this very important time.

We have a vast global cultural influence for many years now and other

countries are trying to catch us up - and are investing heavily as they do so.

It is therefore important to strive to stay on top and keep promoting positive British values to the world.

In the New Year, the Government will be publishing our Soft Power Strategy and you have a large part to play.

Because as we leave the European Union, you are vital in showing the world that we are more open-minded, outward looking and ready to work together than ever before.

And to flourish as an independent nation, we need to give our thriving creative industries the best possible support.

So before I answer a few questions, I wanted to set out a few areas for discussion that I see as being particularly crucial in the coming years.

First of all, we want to support you domestically so that you can drive growth in the economy and enrich lives here in the UK.

A strong creative sector means a strong economy.

The work of our country's incredible designers can be seen in all aspects of our lives, whether it's the cars we drive, the clothes we wear or the technology we use.

The benefits of creativity and innovation are clear. So it is really important that we channel them in the best possible way.

The Creative Industries Sector Deal was a real milestone and one we can all be proud of.

As part of this landmark deal, more than £150 million is being jointly invested by government and industry to help cultural and creative businesses across Britain thrive.

This includes our £80 million Creative Industries Cluster Programme, investing in nine new partnerships between our creative industries and our world-leading universities.

And £33 million of investment in immersive technologies like virtual reality video games, interactive art shows and augmented reality experiences.

The real significance is not the publication of the document however. The real significance will be seen in its delivery and the difference it makes to creative industries businesses on the ground.

The framework has been set but I want to hear from you what is working and what is not.

Since taking on this role, I have been particularly interested to see how

digital and culture, both of which are parts of the DCMS portfolio, have been inspiring each other, keeping both industries at the cutting edge.

Theatre is blending with film; and computer programming with sculpture. We have virtual reality curatorship, animated artworks, video games scored by classical music composers.

So let us dispense with the idea that we must choose between creativity and technical excellence. That young people should have to choose between STEM and the arts.

Our tech companies thrive on creativity and our creative sector depends on technical brilliance and pushing the boundaries of innovation.

And it's this spirit that gives us a huge competitive advantage, brings in new audiences and puts us in a prime position for the future.

This pioneering ethos will be showcased at a nationwide festival of Britain in 2022, through an exciting programme of arts, culture, design and tech. I hope that you can all play a part in making it a success.

And as we look ahead to the future, I'm delighted that Tim Davie will be cochairing Creative Industries Council with me.

And that Tim has been appointed as Board member of the Creative Industries Federation, which under Alan Bishop's leadership is set to go from strength to strength. Together they can help drive even stronger engagement between Government and industry.

Now I've heard through both the Creative Industries Council and the Creative Industries Federation that skills and talent are a big priority for you all.

The Sector Deal made big strides in this area, with a 2 million pound fund to develop and deliver an industry-led creative careers programme; thank you to all of you for your support in making the case for this.

This fund will make sure that there is a larger and more diverse intake of talent and a broader range of routes into the creative industries.

We have seen some excellent work on this, for example, the British Fashion Council's ambitious work to encourage promising new designers.

We all have a responsibility to make sure our nation's cultural output more closely represents the country as a whole.

I also hear loud and clear that international talent is important for the growth of our creative industries.

The UK has talented performers, famous artists and world-leading industry professionals. Our soft power relies upon them.

And it's in nobody's interests to make it difficult for them to do this vital work. Not in the interests of the Government, not our artists and certainly

not the many people who want to see them across Europe and the world.

We are working on a reciprocal framework for mobility that will...

Support businesses that want to provide services and move their talented people;

Allow people to travel freely for tourism and temporary business activity;

And enable students and young people to continue to benefit from world-leading universities and the cultural experiences the UK and EU have to offer.

The Government will be publishing its proposals in the autumn and I see it as part of my role to make sure your views are understood.

Because although we want a new immigration system that ends freedom of movement, we also want to continue attracting the brightest and the best in the creative sector, from the EU and elsewhere.

One of the most enduring and powerful aspects of culture is how it is perennially looking outwards. After all, you cannot put boundaries on the free flow of ideas and creativity.

And as we leave the EU, our creative sector will continue to be one of the major forces behind our economic growth.

I know that many of you work on projects that span borders and we want to maintain this flexibility.

We are working with the EU on a Cooperative Accord for Culture and Education, that will facilitate ongoing cooperation and collaboration in the arts, heritage, the wider creative industries and education.

This Accord will underpin our efforts towards our shared objectives. Like preventing the illicit removal and trading of cultural objects and making sure that UK and EU citizens can keep benefiting from cultural and educational exchanges.

The Brexit White Paper, published earlier this summer, restated that the UK will continue benefiting from European works status, which will enable us to co-produce with EU member states and count towards quotas.

This is important if we are to remain a hub for international broadcasting at an important time for culture and creativity across the world.

The creative industries accounted for 11 per cent of total UK services exports in 2016, the highest proportion since 2010.

So it is important that we get your views and evidence of what is important as we shape our new trade policy, for trade with our friends and partners in the EU and across the world.

The possibility of future free trade agreements give us a real opportunity to further the interests of the sector and to strike new agreements with countries like the USA, Australia and New Zealand, with innovation and ingenuity at their heart.

And I would encourage everyone here to have your say and provide evidence to the DIT consultations on this, so we can get the best possible outcome.

Because if we get it right, the prize can be huge. All the evidence shows that companies who export are more likely to grow and are more productive.

The Creative Industries Trade and Investment Board, established through the Sector Deal to allow for a more strategic and industry-led approach to trade and export support, will be vital in this goal.

We will play our part as Government by making sure the cultural and creative industries can take full advantage of the support on offer from UK Export Finance.

Alongside this, the impact of the UK's creative tax reliefs on DCMS sectors, and beyond, is truly staggering, as shown by today's Screen Business Report commissioned by the BFI.

In it, my colleague the Chancellor of the Exchequer restates his commitment to this policy, which the Government supported to the tune of over 850 million pounds last year.

The creative sector tax reliefs have powered growth, created tens of thousands of jobs the length and breadth of the UK and cemented Britain's truly global standing in the art and business of the moving image.

There is much demand for British creativity and excellence abroad.

We are about to enter a new era for our creative industries. Where we will chart our own course.

And our creative sector will be at the heart of this.

Because you show our country at its best. Our wit, our imagination and our ability to tell stories that enthrall the world.

And with government and industry working side by side we can entertain and inspire for generations to come.

Thank you very much.

### News story: CNC Chief Constable to depart next year

Civil Nuclear Constabulary (CNC) Chief Constable and CEO, Mike Griffiths, recently announced he will leave the organisation in March 2019 after over six years in charge.

Since joining the CNC in 2012, Mike Griffiths has overseen a period of rapid organisational change and an equally rapid growth in expectations of the CNC's capabilities. During his tenure the force was, for the first time, deployed to provide armed police support to other police forces across the country, on two separate occasions.

Civil Nuclear Police Authority (CNPA) Chair Vic Emery said:

'I would like to thank Mike for his dedication to the CNC during a period of unprecedented change. He has led on so many of the major improvement programmes that has taken the CNC forward into its new era. His commitment to the Constabulary has been an example to us all.'

Chief Constable Mike Griffiths said:

'My contract was due to end in September 2019 after seven-years but I have decided, after much hard thought, to go slightly early in order to give the CNPA the opportunity to recruit my successor at the start of a new strategic planning cycle.

I have thoroughly enjoyed my time at the CNC, and I remain fully committed to leading this great organisation until my departure in March. We all have a very important role within counter terrorism policing and the civil nuclear industry to deliver and during the next six months that is my focus.'

The CNC began the search for its next Chief Constable and CEO on Monday 8 October through Executive Search company Gatenby Sanderson.

# Speech: Margot James' speech to the Creative Industry Federation International Summit

Good morning. Thank you to Amanda and the BFI for inviting me here today to the launch of the Screen Business report. And it is great to be here at Warner Bros, home of so much great screen entertainment, for it.

It is a pleasure to see so many of you here representing all screen sectors from games and VFX to film and TV. As the Minister for Digital and the Creative Industries, I'm certain that such connectedness between our screen sectors is the future.

It is exciting to see such comprehensive analysis of the impact of creative business on the UK economy. To pick out a few highlights:

Over £3 billion total production spend in 2016, with high end TV spend doubling to almost £900 million in just three years; and the video games sector attracting £1.75 billion of corporate investment since the introduction of the Video Games Tax Relief.

The report goes beyond these impressive headline figures to detail just how well the sector delivers benefits across the UK's nations and regions, as my colleague the Chancellor notes in his foreword.

Over £850 million invested in national infrastructure and facilities: so yes, we have the legendary James Bond and Harry Potter franchises resident at Pinewood and Leavesden, but there's a whole new wave of high-end TV and UK indies shooting across the country: Game of Thrones in Northern Ireland, The Levelling in Somerset, Outlander in Scotland, Doctor Who in Wales, God's Own Country in Yorkshire.

And with over £390 million invested through video game tax relief in 2016, the UK's trailblazing video game development clusters such as Edinburgh, Dundee, Leamington Spa and Guildford are flourishing.

The UK provides a truly national screen offer.

The report also highlights the importance not just of place but of people: how the government's tax reliefs have enabled the creation of almost 140,000 Full Time Equivalent jobs in 2016, and highly productive ones at that.

This, coupled with the government's and industry's efforts in advancing skills pipelines, from the work of the National Film and TV School and the newly rebranded ScreenSkills, to the BFI's £19 million Future Film Skills Strategy and Lucasfilm's fantastic Star Wars trainee scheme, are ensuring that a broad and representative new generation of screen professionals is on the march.

Screen Business shows how, over the past decade, the UK has capitalized on its traditional strengths — ongoing government support, our skilled crews and excellent facilities — while taking advantage of new opportunities such as the incredible growth in demand for content, screen tourism — worth almost £900 million in 2016 — and our world-class visual effects.

It is this innovation, this confidence to be daring with new stories, new technologies, new ways of engaging audiences, that I advocate for proudly as Minister for Digital and the Creative Industries.

And government is driving this progress in partnership with industry: from the Industrial Strategy's Sector Deal to the forthcoming launch of the Contestable Fund which has been designed to stimulate the provision and plurality of innovative, original UK content.

Now, more than ever, such confidence will benefit us as we embrace a post-Brexit world. We will continue to be an outward facing, open, and internationally respected nation. And it is reports like these and examples like Shepperton Studios, investing £500m to create one of the largest studios in the world, that give us, Global Britain, the evidence we need to continue to drive growth, enhance our competitiveness and further support the UK's creative ambition, the diverse results of which are enjoyed by audiences globally.

I am grateful to everyone who has contributed to this piece of work which tells such an important story about the UK screen sectors — many of you are here today, thank you.

I am going to hand over to Harriet now, so it remains for me to thank you all again for this positive and insightful piece of work.

### Press release: CMA launches immediate review of audit sector

As part of its review, the Competition and Markets Authority (CMA) will investigate whether the sector is competitive and resilient enough to maintain high quality standards.

The move comes amid growing concerns about statutory audits, in particular following the collapse of construction firm Carillion and the criticism of those charged with reviewing the organisation's books, as well as recent poor results from reviews of audit quality.

CMA Chairman Andrew Tyrie said:

If the many critics of the audit process are right, it is not just the companies which buy audits that lose out; it is the millions of people dependent on savings, pension funds and other investments in those companies whose audits may be defective.

Sir John Kingman's independent review of the regulator is a big step in the right direction. And the CMA will now examine the market carefully to establish what contribution more effective competition could make to improving audit quality.

CMA Chief Executive Andrea Coscelli also commented:

High quality audit work underpins a successful economy and benefits us all. Given the in-depth thinking already done by the CMA and the Competition Commission before it, we plan to move swiftly and to issue our provisional findings before Christmas.

The CMA's market study will examine 3 main areas:

- Choice and switching. Changes put in place by the Competition Commission appear to have strengthened competition between the big four firms — Deloitte, KPMG, E&Y and PwC — but the largest UK companies still turn almost exclusively to one of them when selecting an auditor to review their books.
- Resilience. The market study will examine what the role of the big four firms means for resilience the risk being that each of the big four auditors is "too big to fail", potentially threatening long-term competition.
- Incentives. Companies, rather than their investors, pick their own auditor. The CMA's work will examine concerns that this might result in a lack of incentive to produce challenging performance reviews.

If the CMA finds evidence that the market is not working well after examining these areas, it will scrutinise all proposals for tackling them.

The CMA has written to the government about its market study and the possible need for legislation to implement its findings and those of the independent review of the Financial Reporting Council led by Sir John Kingman.

Find out more on the <u>audit market study page</u>.

#### Notes for editors

- 1. Market studies are carried out using powers under section 5 of the Enterprise Act 2002 (EA02) which allows the CMA to obtain information and conduct research. They allow a wide consideration of issues affecting the market. They can include a range of outcomes including recommendations to government, enforcement action and referral for market investigation.
- 2. The CMA intends to consult on provisional views by the end of the year and complete its work as soon as possible thereafter. As part of this, the CMA will take into account the views of a range of stakeholders, including the Financial Reporting Council as the sector regulator.
- 3. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on <a href="Image: Twitter">Twitter</a>, <a href="LinkedIn">LinkedIn</a> and <a href="Facebook">Facebook</a>.
- 4. Media queries should be directed to: <a href="mailto:press@cma.gov.uk">press@cma.gov.uk</a> or 020 3738 6460.

## Press release: Chair of new Industrial Strategy Council appointed

- Andy Haldane, Chief Economist of the Bank of England, has been appointed as the Chair of the Industrial Strategy Council
- the Council will be asked to advise on the long-term success of our strategy
- the new independent body will meet for the first time at the beginning of November

Business Secretary Greg Clark has appointed Andy Haldane to be Chair of the Industrial Strategy Council, an independent body set up to assess the government's progress on the commitments made in its modern <u>Industrial</u> <u>Strategy</u>.

Mr Haldane is the Chief Economist of the Bank of England where he is responsible for research and statistics as well as being a member of the Monetary Policy Committee.

The Council will meet for the first time at the beginning of November. Mr Haldane will be joined by senior individuals from business, academia and civil society from all corners of the UK.

Business Secretary Greg Clark said:

We are getting on with delivering the modern Industrial Strategy with record levels of investment in R&D, the fastest growth in infrastructure spending in the G7, the biggest shakeup to technical education in a generation and Sector Deals to put the UK at the forefront of the industries of the future.

The Industrial Strategy Council has an important role to play holding the government to account by monitoring its success delivering the Industrial Strategy and its impact on the economy.

I am delighted that Andy Haldane has taken on this important role which will give the Council authority and independence, as well as the benefit of his thought leadership in this area.

Chief Economist of the Bank of England Andy Haldane said:

The Industrial Strategy is one of the most critical strands of work taking place across government and has the potential to raise living standards across the whole of the UK, boost people's earning powers and put the UK at the forefront of future industries internationally.

I am delighted and honoured to take the role of Chair of the Industrial Strategy Council and look forward to working with leading business men and women, investors, economists, and academics to provide impartial and independent evaluations of the government's progress in delivering on the Industrial Strategy.

Governor of the Bank of England Mark Carney said:

Productivity is an important determinant of the Monetary Policy Committee's forecasts for economic growth and inflation. Understanding the impact of the government's policies on the outlook for productivity is therefore of great importance to the Bank's work. Andy's new role will help both to deepen that understanding and, consistent with our remit, to support the government's objectives for growth and employment.

The work programme of the Council will be developed by the Chair and its members and its remit will include reviewing the impact of the Industrial Strategy to date and its contribution to UK economic growth, as well as recommending a series of success measures for the implementation of the Industrial Strategy White Paper.

It will also provide advice on delivery against these measures and their contribution to UK economic growth and ways to improve the measurement of success, particularly in terms of productivity and the better use of data across government.

The Council will publish a regular public report assessing progress on implementation of the Industrial Strategy against success measures and on ways to improve measurement and evaluation.

It will meet 3 to 4 times a year and it will agree its annual work programme and priorities with BEIS and HMT. The Chair will meet annually with the Business Secretary and the Chancellor to discuss its work programme and progress.

Plans to convene an Industrial Strategy Council were announced in the Industrial Strategy White Paper and is a result of the Green Paper consultation, in which many businesses, universities and other stakeholders proposed that the Industrial Strategy needs to have clear measures of success, and an ongoing mechanism to evaluate progress.

#### Notes to editors

- Andy Haldane is chairing the Industrial Strategy Council in a personal capacity during his term of office. It is not an institutional responsibility of the Bank of England.
- Andy Haldane will not be receiving a salary for this role.