

CAVENDISH

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Weekly Monitoring
Friday 15th March



EIA Update

Last week, we met with DBT officials as part of our monthly stakeholder engagement. Officials were keen to understand industry feedback to the budget, which was subsequently provided and reported in last week's monitor. They were grateful for us sharing the business survey, and were keen to see the new SASiE report which they will include in their data pool.

We outlined our continued conversation re a UK Gov Trade Mission to KSA, through DCMS and DBT officials, and our keenness to implement the Visit Britain Trade and Consumer Exhibition Report which demonstrates the impact of government support via case studies and includes a future event calendar. We also fed back on the industries position with AI, which is being used to seek efficiencies around data, marketing and content (with concerns on its use, data ownership and data breaches), and our view that face to face events will become even more important to build trust with brands and customers.

Political Update

Following speculation, Prime Minister Rishi Sunak has confirmed that the General Election will not be held on 2nd May. This leaves the rumour mill to focus instead on October or November as the most likely months for the General Election.

It follows another tricky week for the Conservatives after a 'meh' reaction to the Chancellor's Spring Budget last week. Former-Tory MP Lee Anderson announced he will be defecting to the Reform Party after he was suspended from his role as Deputy Chairman over comments made about Sadiq Khan. A further two Conservative MPs announced they won't be standing at the next election, bringing the total number of Tory MPs standing down at end of the Parliament to 62.

As we look ahead to the General Election, Cavendish have published their Labour Manifesto preview, setting out what they expect to be included in the Opposition's election manifesto. More details can be found below.

News

Labour Manifesto

Cavendish have prepared a Labour Manifesto preview which has identified key policy offerings that are likely to influence the landscape during the first term of a Keir Starmer government and shape the Labour Party's manifesto.

Of particular interest is the creation of a new Industrial Strategy Council to advise on the implementation of its industrial strategy and work with businesses and unions to support good, secure jobs in the everyday economy.

Other points of interest include:

- Creating Skills England to oversee a national plan for skills
- Scrapping the current business rates system
- Turning the Apprenticeships Levy into a Growth and Skills Levy
- Creating a single status of Worker to include self-employed
- Closing holes in the Government's Brexit deal

January GDP Performance

The UK economy is showing signs of recovery, with gross domestic product (GDP) increasing by 0.2% in January, driven by growth in the services and construction sectors. This growth indicates that the recent technical recession might be short-lived, potentially one of the shortest downturns in a century.

Unemployment Statistics

Andrew Bailey, the Governor of the Bank of England, acknowledged the challenge of unreliable data on unemployment, expressing a wish for more accurate figures. Despite a reported rise in the unemployment rate from 3.8% to 3.9% in January, Bailey suggested that the UK is near full employment.

Department of Business and Trade support for the Music Industry.

The Department of Business and Trade demonstrated support for the British Music Industry and the wider events sector. In a post on LinkedIn the Department praised the sector of its employment of 290,000 people and its contribution of £11.3bn towards the UK economy.

Poor Mental Health and Economic Inactivity

The Office for Budget Responsibility has expressed concern over persistently high levels of economic inactivity, particularly among young people, reaching record levels due (in part) to worsening mental health issues. Approximately one-fifth of working-age adults are not in work or actively seeking employment.

Parliament

House of Commons

Budget Resolutions debate MPs

Venues and the arts sector were discussed during a debate this week on Budget Resolutions. Specifically, it was questioned why live music venues were not receiving the same tax credits as the film, video game and orchestras industry.

Elsewhere in the debate, SNP Alison Thewlis highlighted the need for money to be put into the arts to ensure the support of music and art venues. MPs from Labour, SNP and Liberal Democrats were advocating for greater investment into the sector following the Budget announcements which focused on the film industry.

Business and Trade Committee examine industrial policy.

The Business and Trade Committee held an Oral Evidence session as part of its inquiry into industrial policy.

The Committee asked about the nature of the UK's current competitive advantages, compared with other countries, and how this contributes to its competitiveness in the global economy. MPs also questioned witnesses on whether the UK economy is too heavily weighted towards services, and whether it is doing enough to seize growth opportunities offered by the Net Zero transition.

Written Question: Ticket Levy

Kerry McCarthy Labour MP for Bristol East asked the Secretary of State for Culture, Media, and Sport if she will take steps to require large music venues and arenas to commit to a ticket levy to help fund grassroots music venues

Julia Lopez, Minister for Media and Data responded outlining current and past options for help without particularly focusing on future contribution. Including help from Arts Council England and music venues eligibility for the Retail, Hospitality and Leisure Business Rates Relief.

"...including the Culture Recovery Fund, which provided over £200m of support for live music venues, the £800m Live Events Reinsurance Scheme, alongside the cross-sector grants, loans, and reduction of VAT on tickets to 5%. Further, over £3 million was provided during the pandemic from the Emergency Grassroots Music Venues Fund.

"Industry-led discussions are ongoing regarding increased support for grassroots music venues from larger events and venues, and DCMS actively supports these sector-led initiatives. Whilst we have no current plans to mandate a ticket levy, Ministers and officials continue to engage with industry to understand the challenges and review opportunities to strengthen the financial resilience of the grassroots music sector."

**For any queries regarding this round-up
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Get in touch



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