

CAVENDISH

Insight. Influence. Creativity.

Weekly Monitoring

Friday 20th

December



EIA Update

On the final run up to Christmas the EIA have been preparing for future engagement with Parliament in New Year. We are pleased that we have managed to secure a number of meetings with members of the Culture Media and Sport Committee in the new year including with the Chair Dame Caroline Dinéage.

The EIA are also looking forward to attending the Creative Industries Growth Summit in January hosted by Culture Secretary.

Sir Chris Bryant, Minister for Creative Industries, Arts, and Tourism, has also reached out to the EIA and expressed interest in working with us in the new year to help grow the visitor economy.

To note that this will be the last monitor of the year since Parliament is now in recess with the monitoring report resuming on 10th January.

The EIA recently went out to AEO and AEV members assessing the impact of Brexit to build on the work of a survey that ESSA members have already filled out. If you haven't yet and wish to respond please find a link to the [survey here](#).

Political Update

Parliament rose for the Christmas recess on 19th December and is due to return on 6th January 2025.

Ahead of Parliament rising another Government Minister has come under scrutiny following the recent resignation of Louise Haigh from Transport Secretary. Tulip Siddiq,

Economic Secretary to the Treasury, is under investigation for allegedly embezzling up to £3.9bn from infrastructure projects in Bangladesh, a claim she denies. Despite the allegations, Prime Minister Sir Keir Starmer has expressed confidence in Siddiq, who has recused herself from decisions involving Bangladesh.

Unionist parties in the Northern Ireland Assembly are to invoke the Stormont Brake for the first time to prevent new EU rules on chemical packaging and labelling from applying in Northern Ireland. The brake needs the support of 30 assembly members from two parties. If the brake is pulled it will then be assessed by the British Government to determine if the brake has been used appropriately.

Elsewhere, Government has rejected compensation for the Waspi women, who were affected by changes to the state pension age, citing the need to manage taxpayer funds responsibly.

News

Creative Industries Taskforce

The newly formed Creative Industries Taskforce, led by Baroness Shriti Vadera and Sir Peter Bazalgette, convened for the first time to develop a comprehensive plan aimed at boosting the UK's creative industries. This taskforce includes leaders from organisations such as Creative UK, the British Fashion Council, and the Royal Shakespeare Company, as well as academics, investors, and tech entrepreneurs. Their goal is to create a targeted Creative Industries Sector Plan, which will be published in the spring alongside the Industrial Strategy. This plan will outline new policies and government interventions designed to unlock growth, drive innovation, and attract private investment in the creative sector. The taskforce will work closely with the wider Creative Industries Council to ensure the plan is developed in partnership with businesses, devolved governments, and other stakeholders.

LSE review on the cost of Brexit

A review by the London School of Economics found that Brexit cost the UK £27bn in lost trade with the EU in the first two years, though the overall impact was less severe than initially forecasted. Small businesses were hit hardest, with many ceasing trade with the EU, while larger firms adapted better to new trade barriers. The study revealed a 6.4% drop in British goods exports and a 3.1% fall in imports by the end of 2022. Despite these challenges, the UK economy showed resilience, prompting calls for the Government to lower trade barriers to prevent further damage.

Review into the Arts Council

Culture Secretary Lisa Nandy has announced an independent review of Arts Council England (ACE) to ensure access to high-quality arts and culture across all regions. Led by Baroness Margaret Hodge, the review will explore ACE's role in supporting excellence, engaging with partners, and developing a vibrant creative sector. The

review aims to break down barriers to opportunity and will be part of the Government's broader Plan for Change. The findings will be published in the spring

UK joins CPTPP

The UK has officially joined the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), becoming the first European nation in the trade bloc. This membership, which includes countries like Japan, Vietnam, and Malaysia, is expected to boost the UK economy by £2 billion annually. The CPTPP's combined GDP now stands at £12 trillion, offering significant opportunities for UK businesses through lower tariffs and fewer trade barriers. This move supports the Government's Plan for Change, aiming to drive economic growth and increase household wages.

EU leaders meet to discuss the UK following European Commission legal case against the UK

EU leaders are set to discuss their relationship with the UK for the first time since Keir Starmer's election, focusing on security and defence. Despite a positive tone, challenges remain, including the European Commission's recent legal actions against the UK for failing to protect EU citizens' rights and not cancelling bilateral investment treaties. The upcoming EU-UK summit in February 2025 will be crucial for assessing future cooperation.

Skills for growth

The Government is collaborating with businesses to develop skills and drive economic growth under the Plan for Change. Education Secretary Bridget Phillipson and Business Secretary Jonathan Reynolds emphasised the need for employer engagement to reform the post-16 skills system and establish Skills England. The Government has secured £140 million in industry funding to create 32 Homebuilding Skills Hubs, offering over 5,000 apprenticeships annually. This initiative aims to build 1.5 million new homes and support key sectors. Ministers have urged businesses to invest in training and apprenticeships to ensure everyone has the opportunity to succeed, aligning with the government's Industrial Strategy.

HS2 progress report

The Government is committed to transparency in HS2's progress, with biannual reports. Immediate actions include reinstating ministerial oversight and launching an independent review led by James Stewart. Mark Wild, the new Chief Executive of HS2 Ltd, will focus on cost-effective delivery. David Goldstone has been appointed as special director to ensure continuity. The Government aims to control costs and improve efficiency, learning from past mistakes. Over 31,000 people and 3,300 UK businesses are involved. The Government is managing HS2's delivery through annual funding and targets, with a comprehensive review underway to ensure cost control.

The forecast date for initial HS2 services between Birmingham Curzon Street and Old Oak Common remains within the range of 2029 to 2033. HS2 Ltd has identified several schedule pressures within this range, which Mark Wild will review as part of his initial

advice. Parliament will be advised on schedule estimates for Birmingham to Handsacre Junction and the delivery of the HS2 station at Euston once further plans have been developed.

Interest rate

The Bank of England has maintained interest rates at 4.75%, warning of potential UK economic stagnation due to budget fallout, rising inflation, and global trade tensions. The Monetary Policy Committee highlighted persistent inflation risks, downgrading growth forecasts to zero for the year's final quarter. Future rate cuts remain uncertain.

Inflation Increase

The UK inflation rate has risen to 2.6% in November, the highest in eight months, driven by fuel, clothing, and ticket prices. This increase highlights persistent inflation pressures, with analysts noting that rising prices are impacting both consumers and businesses.

Parliament

House of Commons

Written Question Euston Station

Alex Mayer, Labour MP for Dunstable and Leighton Buzzard asked the Secretary of State for Transport, what assessment her Department has made of the adequacy of progress in the implementation of crowd management improvements to Euston station required by the Office of Road and Rail?

Simon Lightwood, Minister for Local Transport responded:

"The Office of Rail and Road (ORR) closed its Improvement Notice served in respect of crowd management at Euston last year - on 15 December 2023.

"As the duty holder, Network Rail is accountable for meeting health and safety and other legal responsibilities at Euston and the ORR is responsible for monitoring compliance.

"The Department recognises the need for urgent improvements to passenger experience at Euston and welcomes the improvements Network Rail is making under its five-point plan announced on 4 October."

House of Lords

Written question on Performing Arts Visas

Baroness Kennedy of Cradley, Labour, asked His Majesty's Government what progress has been made to enable artists to work in the European Union more easily?

Baroness Twycross, Gambling Minister responded

"We fully recognise the scale of challenges facing creative and cultural professionals wishing to tour and work in Europe. We appreciate that these challenges could not only deny European audiences the opportunity to experience British talent, but also limit

opportunities for our artists to collaborate and build their careers. Cultural exchange has long been a cornerstone of the UK-EU relationship, which is why we have made a manifesto pledge to both help our touring artists and reset our wider relationship with the European Union.

We are already working collaboratively with our sectors to address key issues and are engaging with the EU and EU Member States, with a view to improving arrangements for artists working and touring across the European continent without seeing a return to free movement. This is a priority for the government."

**For any queries regarding this round-up
please get in touch today.**

Get in touch



cavendishconsulting.com