

CAVENDISH

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Weekly Monitoring
Friday
23rd January



EIA Update

Following our confirmed meeting with Nigel Huddleston in February, we are continuing to arrange a meeting with Harriett Baldwin, Conservative MP for West Worcestershire and Shadow Secretary of State for Business and Trade. This meeting will provide an important opportunity to highlight the economic contribution of our industry to the Conservative Party. It also builds on our ongoing engagement with the current Government, ensuring a cross-party approach.

Political Update

It has been a busy week in politics, both internationally and domestically. The week began with further perceived U-turns by Prime Minister Keir Starmer after the Government pulled the scheduled third reading of the Hillsborough Law in the House of Commons. The decision followed backlash from MPs and campaigners regarding the involvement of the intelligence agencies. Ministers insist the legislation is merely “paused” while further engagement takes place.

Meanwhile, the use of social media for under-16s is becoming an increasing issue for Starmer's Government as cross party support for the idea gains momentum. A letter signed by 60 Labour MPs urged swifter action, and the House of Lords voted 261 to 150 in favour of an amendment to the Government's Schools Bill that would ban social media use for under-16s. The Government has said it will seek to overturn the amendment in the Commons and intends to consult on the issue first.

Elsewhere, former Labour Minister Andrew Gwynne has resigned as MP for Greater Manchester due to ill health, he remains under investigation for misconduct by the House. His resignation has prompted speculation that this may create an opportunity for Greater Manchester Mayor Andy Burnham to return to Westminster, amid ongoing rumours of a future leadership challenge to Starmer.

Separately, twenty-nine English councils have been permitted to delay their May local elections by a year to allow time for Local Government Reorganisation.

On international affairs, following earlier threats regarding Greenland, Donald Trump has now dropped both his threat to use military force and his plans to impose tariffs on several European countries in order to take control of the territory.

News

Reeves signals targeted support for pubs

Chancellor Rachel Reeves has signalled that a £300 million relief package for pubs will be announced within days, offering support as business rates surge following the end of pandemic-era measures. Speaking at the World Economic Forum in Davos, she said pubs face distinct pressures and confirmed that hotels, restaurants and cafés should not expect equivalent help. With some venues seeing rates more than double, industry groups warn that wider hospitality businesses also face severe cost challenges without broader Government intervention.

Regions urged to bid for new creative industries funding

Creative Industries Minister Ian Murray has urged regions across the UK to bid for the next wave of Creative Clusters funding, building on Liverpool City Region's success as a leading music innovation hub. During a visit to the city, Murray highlighted a record £500 million package to boost research, development and innovation across film, TV, gaming, fashion and music. With £27 million now available for new clusters, the programme aims to drive economic growth, strengthen partnerships between universities and industry, and expand training and job opportunities nationwide.

Government unveils £1.5bn plan to revive cultural venues

A £1.5 billion five-year funding package to revive England's cultural landscape, aiming to save more than 1,000 museums, arts venues, libraries and heritage sites has been announced. The investment, announced by Culture Secretary Lisa Nandy, targets long-neglected community assets, addressing urgent maintenance and widening access to low-cost cultural experiences. Funding includes major support for local museums, heritage restoration and arts infrastructure, with the Government hoping it will restore pride, boost jobs and place culture at the heart of national renewal efforts.

Reeves rules out returning to EU customs union

Chancellor Rachel Reeves has insisted the UK will not re-join the EU customs union, warning it would forfeit the benefits of post-Brexit trade deals with India, the US and South Korea. Speaking as she announced plans to reimburse visa fees and fast-track applications for top global firms, she said the Government's focus is on reducing trade barriers while maintaining free and fair access to market.

UK borrowing falls as higher tax receipts boost public finances

Government borrowing dropped to £11.6bn in December, well below forecasts, after stronger tax revenues eased pressure on the public finances. Figures from the Office for National Statistics show borrowing was 38% lower than a year earlier, supported by rising income tax and National Insurance receipts. Economists cautioned that, despite recent improvement, deficit reduction remains slow and public debt continues to weigh heavily on future fiscal choices.

Parliament

House of Commons

Business and Trade Committee warn that staff cuts threaten UK-India trade deal

The Business and Trade Committee has warned that planned 40% cuts to UK export support staff threaten billions in potential tariff savings under the UK–India Comprehensive Economic and Trade Agreement. Initial annual duty savings of £400 million could rise to £3.2 billion, but MPs say these benefits may not materialise without adequate help for firms to use the Agreement in practice. They urge ministers to properly resource implementation to overcome India's complex non-tariff barriers and deliver promised economic gains.

Written Question on visas in Europe

Dr Al Pinkerton, Liberal Democrat MP for Surrey Heath, asked the Secretary of State for the Home Department:

"What assessment she has made of the potential merits of streamlining visa arrangements for musicians, performers, and other cultural professionals working between the UK and the EU."

Mike Tapp, Minister for Migration and Citizenship, responded:

"The UK immigration system is generous in its provisions for musicians, performers and other cultural professionals, with different pathways for non-visa nationals (such as EU/EEA nationals) in the creative sector to come to the UK without requiring a visa. We continually keep our policies under review and the Government has committed to supporting touring artists at the UK-EU summit in May last year."

Written Question on cultural contributions to UK economy

Dr Al Pinkerton, Liberal Democrat MP for Surrey Heath, asked the Secretary of State for the Home Department:

"What assessment her Department has made of the economic contribution of (a) touring musicians and (b) cultural professionals to the UK economy."

Ian Murray, Minister for Creative Industries, Media and Arts responded:

"The Department for Culture, Media and Sport (DCMS) recognises that touring musicians and cultural professionals are essential to the United Kingdom's economic vitality. The Department assesses the economic contribution of these sectors through the DCMS Sectors Economic Estimates, which provide accredited official statistics on Gross Value Added (GVA), employment, and trade, which are available at national and regional levels. These data can be found on the DCMS website at: <https://www.gov.uk/government/collections/dcms-sectors-economic-estimate>.

"The Government remains committed to supporting these professionals both at home and abroad. We continue to engage with the sector to address barriers to international touring and to ensure a sustainable environment for domestic performance, maintaining the UK's position as a world-leading hub for the arts."

Debate on Business Rates

In the Commons debate on business rates, MPs repeatedly raised concerns about the impact on pubs, music venues, cafés, restaurants, hotels, wedding venues and other hospitality businesses.

Dame Meg Hillier, Labour MP for Hackney South and Shoreditch, warned that thousands of pubs faced steep rate rises and stressed that ministers should have anticipated the impact. She pressed for clarity on long-term reform. Dan Tomlinson, Exchequer to the Secretary, reiterated that reforms introduced at the Budget created a substantially lower tax rate for high-street venues and that transitional support remained in place.

Cat Eccles, Labour MP for Stourbridge, highlighted severe pressures on music venues, naming Claptrap the venue and Katie Fitzgerald's, as well as cafés and other hospitality businesses affected by rising energy bills, new VOA valuations and the end of Covid-era reliefs. Tomlinson emphasised hospitality's central role in communities and pointed to a redesigned transitional relief scheme using a 40% reduction baseline to cushion increases.

Kim Johnson, Labour MP for Liverpool Riverside, said Liverpool's hospitality sector faced some of the largest increases in the country, endangering jobs. The minister praised the city's vibrant sector and cited reforms intended to smooth the shift away from temporary reliefs, alongside the forthcoming appointment of a retail, hospitality and leisure envoy.

Sir John Whittingdale, Conservative MP for Maldon, raised alarms about grassroots music venues, some facing first-time rates that amounted to "closure notices". Tomlinson said the Government had prepared for this by capping increases at £800 for venues newly entering the rating system.

Alex Sobel, Labour MP for Leeds Central and Headingley, stressed that live performance venues, including Leeds Arena, must not be overlooked. Tomlinson agreed, acknowledging their cultural and economic importance and their wider role in supporting local economies.

Across the debate, concerns for independent cafés, shops, hotels and small hospitality venues were echoed by multiple MPs. Tomlinson maintained that half of business-rate bills would be flat or falling due to government decisions, and reforms now ensured high-street venues paid a significantly lower tax rate than the largest commercial properties.

**For any queries regarding this round-up
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