

Mr Ed Vaizey MP
Minister for Culture, Communications & Creative Industries
Department of Culture, Media and Sport
4th Floor
100 Parliament Street
London
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14 June 2013

Dear Minister,

Classifying and Measuring the Creative Industries – DCMS Consultation

Thank you for inviting comments on the changes being made to the classification and measurement of the creative industries. As the industry body for commercial radio, RadioCentre welcomes the focus on attempting to better define the creative workforce in the UK. The creative workforce is essential to the cultural and economic life of the UK.

Around 8,000 people work in commercial radio and related businesses, many of whom are broadcasters, journalists and engineers working in pivotal roles that create public value content for their communities. For over 33 million people every week, these individuals provide free access to news, weather, traffic updates, live sport and entertainment content. Commercial radio also offers a starting point for the cultural talent of tomorrow; many of whom will go on to work in for BBC Radio, for production companies in film, TV and radio, as well as in advertising and multimedia companies in the UK and abroad.

In light of the rapid changes in the use of technology and digital media within the creative industries, as well as the wider impact of digital media on other sectors of the economy, RadioCentre believes that this is an appropriate juncture for DCMS to re-examine if the current system of employment classification is fit for purpose.

The new methodology, which relies on Nesta research¹ focusing on the calculation of creative intensities, seeks to provide a more accurate picture of the overall creative industry workforce than the current Standard Industrial Classification (SIC) codes. By examining a creative industry as a whole, drilling down to define the creativity in each role, then measuring the proportion of roles in an industry which are creative, it has formulated a more accurate top level approach to classification than previously.

This concept of “creative intensity”—the proportion of creative roles within each industry—has allowed for a further 650,000 jobs to be identified as ‘creative’ in this study. As well as highlighting the ever increasing numerical impact of creative roles within the UK economy, this welcome evidence also provides a more complete picture of the growing impact creativity is having on UK industry as a whole.

¹ http://www.nesta.org.uk/library/documents/Dynamic_mappingV12.pdf

Whilst we welcome this approach, RadioCentre is concerned that there are a number of weaknesses in the Nesta research model and its methodology, and consequently it should be given further attention.

If each business – not industry – was evaluated by creative intensity in this way, the picture would be very much different. For example, using the Nesta criteria, it is quite conceivable that a number of commercial radio broadcasters (or indeed commercial media businesses of any kind), might not be defined as a *creatively intense* organisation. This is due to the high proportion of sales, technical and back office functions required in operating such businesses effectively.

We are also unsure that the methodology is appropriately consistent. Traditional creative roles, such as radio broadcasting (73%), are identified as being appropriately creatively intense in the Nesta methodology. Yet previously *non-creative* industries are now also being considered as creative within the new model. Some of these are more creatively intense than radio, despite never previously being considered as *creative* by DCMS SIC codes. Whilst we appreciate that some professions are now much more reliant on computer and new media technologies than previously, we do not believe that they have changed so much as to become more creative than their traditional media counterparts.

Furthermore, an apparent by-product of the methodology appears to be that a creative intensity score creates a ranking system for the creative industries. As RadioCentre is concerned that this score for creativity is not entirely representative, we do not believe it appropriate for Government to use these scores for any other purpose other than identifying creative roles, such as future funding allocation or other wider political priorities. We would welcome assurances that this will not be the case.

In conclusion, RadioCentre supports the reasoning behind the proposed changes to classifying and measuring the creative industries. However, we would ask Government to publish the following additional information once this consultation has concluded, namely:

- A list of the sectors now defined as creatively intense, which weren't previously defined as creative under existing SIC methodology, in order to better judge the suitability and impact of the new methodology defined by Nesta.
- An assurance that creative intensity will not be used by Government to rank industries or sectors in any way; whether it is for allocation of funds or other means of political support.

We look forward to the conclusions of the consultation, and a more accurate classification of creative roles in the future.

Kind regards,



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