



Northern Ireland
Assembly

Committee for Culture, Arts and Leisure

OFFICIAL REPORT (Hansard)

**Inquiry into Maximising the Potential of the
Creative Industries in Northern Ireland: Creative
and Cultural Skills/Creative Skillset**

26 April 2012

NORTHERN IRELAND ASSEMBLY

Committee for Culture, Arts and Leisure

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Members present for all or part of the proceedings:

Miss Michelle McIlveen (Chairperson)
Mr William Irwin (Deputy Chairperson)
Mr Dominic Bradley
Mrs Brenda Hale
Mr David Hilditch
Mr Michael McGimpsey
Mr Oliver McMullan
Mr Cathal Ó hOisín
Mr Robin Swann

Witnesses:

Mr Simon Dancey	Creative and Cultural Skills
Ms Sara Graham	Creative and Cultural Skills
Mr Ian Kennedy	Creative Skillset
Mr Alasdair Smith	Creative Skillset

The Chairperson: We are now going to hear from Mr Ian Kennedy, head of Stakeholder Partnerships Northern Ireland, Mr Alasdair Smith, from Scotland, who is director of Creative Skillset. We also have, from Creative and Cultural Skills, Ms Sara Graham, the Northern Ireland manager, and Mr Simon Dancey, the national and international director.

I welcome you all here. You have been with us for the previous session, so you know what to expect. We are looking at quite a broad range of issues in and around the creative industries. I thank you all for your written submissions. We will take opening statements. I am not sure whether you have worked together and decided who will go first.

Mr Ian Kennedy (Creative Skillset): No.

The Chairperson: Sara, would you like to go first?

Ms Sara Graham (Creative and Cultural Skills): Thank you for the opportunity to come and present this morning. I will give you a little bit of background to Creative and Cultural Skills as I am not sure how familiar you are with our organisation.

We are the sector skills council for the UK's creative and cultural industries, which includes craft, cultural heritage, design, literature, music, performing arts and visual arts. We were founded in 2004, and our goal is to enable creative and cultural industries to reach their economic potential through relevant training and skills development.

Over the past three years in Northern Ireland, we have developed strong relationships with government, sectoral bodies, education and industry to address some of the skills challenges that are affecting our sector. I will give you a flavour of our work and some examples of what we have been doing. We ran a leadership programme for existing and emerging leaders in the creative industries and a joint research project with the Arts Council, and we worked closely with it and combined that with research from Arts and Business NI and Audiences NI to look at developing an advocacy tool for training. We developed a professional development through mentoring programme out of that, which looked specifically at the skills of fundraising, marketing and audience development, which are very specific to our sector, and we established the Northern Ireland Design Alliance, which I will come back to later. We have been working on careers information and apprenticeship frameworks, and we have established a pilot creative apprenticeship programme here in Northern Ireland. That gives you a flavour of our work.

We are conscious that the inquiry is about looking forward and about how to develop the creative industries; therefore, I want to focus on our plans for that over the next couple of years. Creative and cultural industries are recognised as a growth area, and I am sure that you are probably overwhelmed at this stage with statistics and research about the sector and how much it is growing. Some of our statistics are in our submission, so I will not go into that in any specific detail.

However, I want to stress that the growth is across our industries; it is not just in those specifically more digitally focused areas, which, for us, would be more in the areas of design and music, but it is right across our sector. In fact, some of the largest growth is forecasted in visual and performing arts. I know that that is something that other people have brought to the inquiry. However, it is something that we want to raise as well, along with the holistic investment in the creative industries, so that we maximise those opportunities as well and are investing in all of the creative industries to develop good content for our digital media.

However, although we know that our sectors are growing, and that there is forecast for greater growth, we are most interested in having the skills to see that growth maximised and having the skills to reach that growth. There are skills shortages in Northern Ireland and across the UK. One of our statistics shows that 68% of creative businesses with skills gaps in their workforce lost business because of that over the past year, which had a knock-on impact on their innovation. Some 55% had to delay development on products and services. Therefore, skills gaps are a very real issue, and we need to address those to be able to maximise the potential of our sector. However, there are a number of challenges around that. For example, with regard to qualification development, further work needs to be done to create vocational qualifications that meet industry standards to drive down those skills gaps and make sure that they are fit for purpose for industry in respect of occupations across Northern Ireland. We are doing a lot of work on that around national occupational standards, apprenticeship frameworks and piloting apprenticeship schemes.

On the subject of education, it is really important that creative industries can articulate their skills needs with further and higher education more clearly so that courses can be aligned to industry needs. Along with that, more needs to be done to build business-to-university and business-to-college links in respect of internships, work experience and sandwich placements. Building industry/education links came out clearly in the industry and education stakeholder events that we held with the Arts Council just before last Christmas.

The second challenge around skills development is practical and it concerns careers education, information, advice and guidance. It is really important that people who are looking to come into our sector, and those already in work, receive accurate information about the skills and abilities they need to get into and progress in the creative industries.

Lastly, continuing professional development (CPD) was mentioned in the previous session. That is somewhat ad hoc in our sector, and it needs to be more accessible so that we can upskill the workforce and compete in a changing market.

I will pick up on each of those challenges and talk about what we are planning to do. We are planning to establish a skills academy model in Northern Ireland based on work that has been done in England. In 2008, we founded a National Skills Academy for Creative and Cultural. That operates in England as a membership organisation. It is a network of employers, freelancers, industry and trade associations all working together with education providers to develop, improve and recognise skills. To date, it has focused on responding to the skills needs of live music and theatre industries and creating programmes of vocational training. It has created over 1,000 apprenticeships for young people. It runs a programme of careers events across the country, reaching over 3,000 young people a year, and it is opening a specialist centre for backstage training later this year.

That is what is going on in England, but what is it going to look like in Northern Ireland? We have recently been successful, as a skill set, in the employer investment fund, and we are looking to invest that money across our nations to develop our work, particularly in Northern Ireland. We want to build on what has been done in England and learn from that and address the skills challenges that I mentioned earlier through three main core strands of work: apprenticeship development and delivery; careers advice, information and guidance; and continuing professional development, ensuring that employers have the right access to tools and training.

We already have strong relationships with industry and education, and we are now looking to formalise that and invest in specific programmes of work to tackle skills issues. I will elaborate on each of those three strands in more detail. First, formal apprenticeships, and, by that, I mean those approved by government, are completely new to our sector. We began developing creative apprenticeships in 2008, and there are now over 1,000 apprentices, as I just said.

Apprenticeships offer creative individuals a non-graduate route into employment, and they offer employers a new, alternative route for employment and vocational training. This is particularly true for the level-three professional and technical role, which actually accounts for over 60% of occupations in the creative and cultural industries.

Our apprenticeship frameworks have been developed and approved by industry. A huge consultation process goes into making sure we get the skills right. We are keen to ensure that Northern Ireland employers and employees have the same opportunity to access those frameworks. We are working closely with DEL to ensure that that happens. We believe that apprenticeships will help us tackle some of the skills gaps. Also, and very importantly, given the current economic climate, we hope that they will provide new employment opportunities and help to diversify our sector, giving us those new access routes into the sector.

We recognise that introducing apprenticeships is a real challenge for our sector, which is microbusiness in nature. There are a lot of arm's-length public bodies involved, which are, at the moment, not included in the apprenticeship frameworks. So, there are a number of challenges to overcome, but we are very keen to work with government to tackle those barriers. Obviously, one recommendation in our submission is that government will want to work with us to take that forward.

As I said, it is important that people have accurate career information in order to get into and progress in the sector. We have developed a number of websites in this area. Our main careers website is Creative Choices. It provides links to jobs and opportunities, details you might need at all stages of your career, and content on the creative industries. It is a resource currently used by about 40,000 visitors a month. We also run a couple of "Get into" sites, for our live music and technical theatres. This is something that we are looking to expand, so that the number of sectors we can offer the "Get into" model to is increased.

As well as developing our online resources in careers, we are looking to work with our local further and higher education providers, in partnership with industry, to deliver some more hands-on careers events. As I already mentioned, developing strong relations between industry and education is a really important role for us. We want to help facilitate that, so that the student experience at those

institutions will be better and involve more contact with industry, and there will be more CPD opportunities, which the University of Ulster talked about before.

That brings me onto my final point, on the third strand of our work within the skills academy. Given the skills gaps in the Northern Ireland workforce, formal and informal CPD is essential to upskill our workforce. There are very specific technical needs in each of our industries, but there are also areas of commonality. Again, that is something that came out very strongly in the stakeholder events that we held at the end of last year. It has already been touched on this morning, but that commonality includes things such as more entrepreneurial thinking, business skills and marketing, internationalisation and the need for an understanding of the legal requirements to protect and make money from your creative practice, whatever that might be. It is a big area of work and so it is critical that industry and educational sector bodies work in partnership to maximise the resources that we have. However, we also need government to make an investment in the skills of our existing workforce. In the DEL skills strategy, it was outlined that 80% of the 2020 workforce — the year that we work to — are already in employment. That means that we need to get alongside our existing employers to support them in developing their existing staff.

The final thing that I want to talk about is design, something mentioned by Professor Ian Montgomery this morning. Design is a vibrant sector in Northern Ireland. For us, it makes up 52% of our footprint. We have around 14,000 people in our creative and cultural industries — that sit within the sectors that I mentioned earlier — and design makes up over half of that. It is a very significant industry. It is the largest creative industry. The GVA contributed by design has grown by 25% since 2004. It is a really significant economic contributor. We want to work with the design industry. However, there has been no specific representative body for it in Northern Ireland for a long time. In 2009, we established the Northern Ireland Design Alliance as an industry-led body to foster that growth, invest in the skills of designers and work more closely with education. In the past two years, for example, we have run a student design competition with the University of Ulster, which enables students to be mentored by local design companies. Importantly, the Northern Ireland Design Alliance aims to provide a strategic voice for the sector in government, and, given the current state of the economy, we feel that that is more important than ever.

The Northern Ireland Executive have recently published their Programme for Government and economic strategy for Northern Ireland, and both those documents contain ambitious targets to rebalance and rebuild the Northern Ireland economy. We firmly believe that design and the wider creative industries have a strategic role to play in delivering those targets.

This year, the European Commission set up the European design and innovation initiative to strengthen the connection between design, innovation and competitiveness, and there are many global examples that demonstrate the positive impact of placing design at the heart of decision-making in government, such as in Korea, China and Finland with the Helsinki Design Lab. Closer to home, Design Wales got support and investment from the Welsh Government to increase the business potential and capacity of the Welsh design community. All those initiatives recognise the strategic role of design thinking as an approach to problem-solving and stimulating innovation and growth, and those are conversations that we are starting to have with DETI as it develops its action plan for stimulating innovation, R&D and creativity. However, we want to encourage a joined-up approach across Departments to the creative industries as a whole, and to design in particular due to its size in the sector and its potential to add value to other sectors to help drive economic growth.

There has always been an issue with where design fits in government, and Professor Ian Montgomery mentioned it earlier. It spans across every industry and does not fit neatly into one sector and, therefore, one Department. However, we want to work with the Executive on the use of strategic design as a crucial part of modern economic and social policy, and we see the Northern Ireland Design Alliance as a good vehicle to do that, but only if there is public investment to formalise and strengthen how it operates. That would enable us to work strategically with government and give us the capacity to address everyday skills issues in a fast-paced, growing and economically significant sector.

We included a full list of our recommendations in the submission. I welcome the opportunity to talk about any of those and the chance to present this morning. It is worth saying that we see collaborative working relationships as essential to the delivery of all the programmes of activity that I have

mentioned this morning, whether it is apprenticeships, CPD, careers or design agenda. We emphasised that throughout our submission, and, in the stakeholder event on growing the creative economy that we had last year, we valued the opportunity to come together, discuss some of those issues, think about overlap and how we can move forward.

There is no doubt that our sector is richly diverse. It is small-scale, and that can make it hard to get a handle on, but the more that we collaborate and share information and knowledge, we will increase opportunities and avenues for industry, education and sectoral bodies to work together to create new business opportunities.

Thank you for the opportunity to present. The inquiry is a really positive step in catalysing the discussion. I welcome any questions.

Mr I Kennedy: I want to take the opportunity to thank you for the opportunity to present evidence as part of this important inquiry. On a point of information and just to add confusion from the beginning, Skillset has been named Creative Skillset since 1 April.

We think in exactly the same way as Sara's analysis of our sector. Therefore, I will keep my remarks very brief so that we can move to questions as quickly as possible. In the context of what we heard from the University of Ulster and the questions that emerged from that, I am delighted that my colleague Alasdair Smith, the director of Creative Skillset in Scotland, has been able to join us, and I am sure that he will make an important contribution.

Creative Skillset is responsible for the creative media, the publishing sector and, interestingly, fashion and textiles. We believe this to be a period of considerable optimism and opportunity for our creative industries. They are an increasingly major contributor to the Northern Ireland economy, and we are confident that, despite the current economic conditions, they will grow at a faster rate in the wider economy in the coming years, particularly, as Sara has emphasised, areas that are export-focused.

Creative Skillset is dedicated to developing world-class talent, and in Northern Ireland we work with a number of partners to achieve this goal, particularly Northern Ireland Screen. Our other public sector partners include the Department of Culture, Arts and Leisure, Invest Northern Ireland, the Department for Employment and Learning, and we also work closely with our employers, key HE and FE institutions, trade unions and trade associations. We are ambitious, aspirational and determined for our industries in Northern Ireland to rise to and exploit the new challenges and opportunities ahead.

As mentioned in our submission, there are several key drivers for our optimism. One is the potential created by the BBC's network supply strategy, which points to considerable increases in levels of expenditure on network programming, as opposed to local programming, produced in Northern Ireland over the next five years. We also point to the continued and growing success of Northern Ireland Screen in attracting productions from all over the world to locate here in Northern Ireland. We also have a growing commitment from Channel 4 to move more production out of London and into the nations and regions of the United Kingdom.

The growth in the number of companies working in the computer games market in Northern Ireland has risen over the past five years from one to 17. The growth in the number of companies and individuals developing and creating creative content for interactive media platforms — we have already heard about iPhone applications — is considerable. There is also potential to reach new markets across the globe through the continued development of our digital infrastructure; for example, Project Kelvin.

Let me give you one example of the way that Creative Skillset has been intervening with employers to help reinvigorate our production sector here and meet the challenges that are coming up; I have detailed it in the submission, but it is worth mentioning now. Our Aim High scheme is a collaboration between BBC, Northern Ireland Screen and ourselves. We have brought the funding to the table and we administer the scheme. We have given 15 young, recent FE and HE graduates 18-month paid placements in our industry. Within those 18 months, they will have four four-month paid placements, moving between BBC departments and the independent production sector. They are paid the minimum wage and, during the 18 months, they go on a number of training courses provided by the BBC Academy, which, until now, only provided training for in-house BBC staff, but it is now expanding its

activities. That scheme, which we launched last October, lasts 18 months. It is for 15 young people but we had 600 applications for it, as you might imagine, so the selection process was pretty brutal. We will be launching the scheme again this October, recruiting in February 2013, with a view to starting placements again in June. Each scheme costs about £500,000 to administer and run. Through funding from Creative Skillset, Northern Ireland Screen and the BBC, we are investing a lot in that scheme.

I see two priorities for action in the immediate future. The first is the development of higher level entrepreneurial and business skills to enable our local companies to enter into and thrive in the global marketplace. The second, picking up on a point that was made in the previous presentation, is the teaching and expansion of skills needed to create a significant sector specialising in visual effects for the film, television drama and documentaries sectors of our production output.

Last year, the report from the office of the Northern Ireland Adviser on Employment and Skills recognised creative industries as an emerging sector in the local economy, and we are confident that this inquiry will help the Administration here to recognise the value of strengthening its support of and engagement with the sector to help develop its contribution to the local economy's growth and future prosperity.

The Chairperson: Thank you very much. Alasdair, while you are here, I will make use of the fact that you have a vast insight into Creative Scotland, which has come up in our inquiry probably every week. We talked about the creation of a hub in Northern Ireland. We have heard about the options of a creative tsar, and have now heard about a creative ecosystem. Will you discuss some of the issues around Creative Scotland, how it was developed, your assessment of it and how such a model could work in Northern Ireland?

Mr Alasdair Smith (Creative Skillset): Sure. The first thing to flag up is that Creative Scotland, as a non-departmental public body (NDPB), probably had a longer gestation period than that of an Indian elephant, because it was first mooted during the previous Labour/Lib Dem coalition Administration, which is now, of course, three Governments ago. As I am sure you will have heard, it was created to bring together Scottish Screen and the Scottish Arts Council to produce a unified body dedicated to supporting the creative industries in Scotland and helping to develop them economically and culturally, but also, now, it is much more interested in the community impact of arts and creative practices in various places around Scotland. This is now its second year of full operation, and there are signs that it is now starting to bed down quite effectively.

I think the singular advantage is that there is now a single policy body or government agency responsible for helping to develop and support all elements of the creative industries in Scotland, from small-scale arts and crafts practitioners right through to large publishing companies, production companies and computer games companies. It cuts across that swathe of organisations of different sizes, different kinds of outputs and different kinds of creative products. Sitting behind that — and this has been referenced this morning — we have a much more streamlined government. I think that is as a result of the SNP first going into government as a minority Government and now having a singular majority. That certainly does help the decision-making that sits behind those public bodies.

We also benefit from very strong ministerial support. There is now a Cabinet Secretary for the creative sector, so the lines of communication right through to the heart of government are actually much shorter and less convoluted than perhaps they once were. We also have a network of other NDPBs that all have various levels of connectivity to what is happening within Creative Scotland and to bodies like ours, as well as to CC Skills. We have a very powerful collaborative arrangement with the enterprise agencies, for example, with the education bodies, the Scottish Qualifications Authority, the Further and Higher Education Funding Council and Skills Development Scotland, which supports apprenticeships and other workplace training. We maintain very positive links with all of those bodies, and they are all unified around common goals, which are about promoting and driving the growth and economic success of the creative sector. We are very clear that our role within that is to highlight where we can help to drive and support growth through developing skills.

In short, the unification of the Government's interest in the creative industries around Creative Scotland provides a unique focal point for development. It certainly helps to bring together other

agencies where they have got a role to play, and the relationship that we and CC Skills have with those bodies is vital in representing employer interests and intelligence on where those skills issues are emerging and where we predict them in to do so in future.

Mr Simon Dancey (Creative and Cultural Skills): What is interesting about Creative Scotland is what a lot of academic research has shown at the moment, and it was touched on by some of the previous presentations. Look at the history of the creative industries and the original Department for Culture, Media and Sport reports from the late 1990s. There is a bit of an artificial divide between the cultural and what people see as commercial creative industries. When you actually analyse those two things, you see that people move between the two. They tend to work in the publicly subsidised sector, learn skills there and then take them to the commercial sector to exploit. What has happened is that a lot of public policy, not just in the UK but internationally, is just looking at the commercial and the digital. I think it is a real failing, and Creative Scotland is trying to address that by bringing together the digital, the commercial and the publicly subsidised.

The reality is that the relationship is much more complex. Individual practitioners just move between the two and learn their skills in the two, and you cannot just say, "We will focus on a policy that is about visual creative media and commercial business." It does not work. That is borne out, as well, when you look at the sector and the people employed. You see that huge numbers are often not working within the digital sector. They are working in design and in theatre or backstage theatre as well.

Creative Scotland is pretty strong, but it is not perfect. Those of us working in Scotland realise that it is bedding in and that the policy has not quite come through yet. My plea is that you look holistically at how we are developing skills and at the creative industries, and not just to move with the commercial and the digital. They are incredibly important, and I do not argue against them, but you have to look at how they relate to the visual and performing arts and the role of organisations like the Arts Council as well.

The Chairperson: Clearly, there has been a change in mindset, from government right down, so it has to be looked at holistically, as you said.

Mr Dancey: Look at Wales, for example. I am a former trustee of the Arts Council of Wales. The argument there was that they were worried about combining the Arts Council of Wales with Screen, the Welsh film agency, because film broadcast was so powerful in Wales that it would then suppress a lot of the cultural areas. I am not saying that is necessarily an argument against doing what Creative Scotland has done, but it is an argument for being aware of the two different sectors and the dynamics and the tensions between them.

The Chairperson: The common theme throughout this is the difficulties involved where you have those in the pure arts and those in the commercial arts, and that they cannot work independently. However, at the same time, it is very difficult to bring them together, particularly if you are a pure artist. Obviously, that is where you come in as well, in relation to the entrepreneurial skills and being able to develop that, for them to realise that there is a market for their skill. It is obviously a challenge.

Ms Graham: It is. It is something that is recognised within the sector. Where people are working across the creative industries, if they want to make money from it, they need to become more entrepreneurial. For many people in the more traditional arts, some of those opportunities might well lie in the digital sector and in helping to shape and inform the content for those digital platforms. Ian and I do a lot of work together. We put a project together last year. That was digitally focused overall, but it was about —

Mr I Kennedy: It was about bringing together independent television producers and digital content designers and providers. To take an example — a high-end example — visit the 'Dr Who' pages on the BBC website. There, as a result of an iconic television programme, you can download computer games, get information about 'Dr Who' books that are written and published, or go into Toys R Us and buy your 'Dr Who' dalek helmet or cyberman head, which have been digitally designed and produced.

So, getting one, iconic network television commission can spin off into all sorts of other areas of our industries and benefit all sorts of other sectors of our industries.

Taking Simon's and Sara's points, we still tend to come at things from a more commercial angle. It is about employment and developing people with the right skills to be employable and, hopefully, in the future, to be the leaders of our creative industries, not just in a creative sense but in an economic sense.

The Chairperson: Why is the skills gap more prevalent in Northern Ireland than in the rest of the UK?

Mr I Kennedy: In my sectors, it partly goes back to what was said before in that we have probably been too local in our vision. There are a number of reasons for that. We have always faced a credibility problem, and I am sure that it is not just restricted to the creative industries sector of our economy. In selling ourselves to the rest of the world — and even in broadcasting, for example, selling ourselves to the rest of Britain — we have been known for one story. Every broadcaster in Britain recognises that, in Northern Ireland, our broadcast journalism is of an extremely high standard. However, it has been very difficult to get the Northern Ireland producers onto the network in other genres of broadcasting. That is changing, and, to be fair, the BBC has adopted a new approach in Scotland and Wales. It has agreed that its spend in network production in those regions will be based on the population size. Northern Ireland represents 3% of the United Kingdom population, so 3% of the BBC's network spend will be spent here. That does not sound like a lot of money, but if you start from the position of five years ago, when 0.1% of the BBC's network spend was spent in Northern Ireland, it means that we are probably moving from a spend of between £2 million and £2.5 million to a potential spend of up to £35 million by 2016. That effectively doubles the BBC's entire spend in Northern Ireland. That is great, and that is what I mean about the optimism and the opportunity. However, do we have the workforce that is skilled enough to meet that challenge? Since we have been so locally focused and not getting that work at network level, we have got to challenge ourselves and say, "No, we have not got the workforce." We have to start addressing with ourselves that skills base in a much more dynamic, realistic and honest manner.

Mr McGimpsey: Thank you very much. I find that very interesting. You mentioned Creative Scotland and said that it took the Lib Dems two or three terms, voting around with Labour. That is about eight to 12 years. Believe me, in Northern Ireland terms, that is very attractive. There is a real lesson in the streamlining and unification of Scottish Screen and Scottish arts, and the Committee needs to look at that in-dept. Those who gave evidence in the previous presentation said that Scotland and Northern Ireland were different, but, as we know, historically, the ties between north-east Ulster and south-west Scotland are extremely strong. There might be a differential in the population, but there are very strong lessons there for us. We need to look at that, because Scotland is well ahead of us.

There is another part that interests me. I understand that students go to the University of Ulster. They have three A levels; they get into their creative industries degree course; they come out with a degree; and away they go, hopefully. However, a large section — 50% — of our young people never smell university; they have no chance. How do we help them? They are youngsters with creativity built into them. They can do the things that relate to the new technologies that are going about that those of us who are much more experienced and older could never do. How do the creative apprenticeships apply in Northern Ireland? You talked about 15 in Northern Ireland. That seems to me to be a productive area for us, potentially, although I am thinking of a lot more than 15. How do we develop that? You have 15, and you have 600 people looking for work. There is a lot of disappointment out there. How do we expand that? What is the key? Is it down to government money? Is it down to the size of the industry here, because it is not big enough to take on large numbers of apprentices? Do we need to look a wee bit further afield? It is about how we get to those youngsters who, effectively, leave school at 13 or 14, because they just do not go back to school. They have very poor skills to take to the marketplace. Traditionally, they would have had apprenticeships in other areas, but many of them would have the skills and ability to get involved in this.

Mr Dancy: We pioneered the first creative apprenticeships. The model that we looked at was the model from Australia. It was very clear about what we would do. It was about providing wage subsidies and training at FE level or HE level, depending on the level of apprenticeship. It was also

about identifying mentor employers. That was the model that we decided to roll out. Apprenticeships are different across the UK. Apprenticeships in Scotland are slightly different to apprenticeships in Wales, which are slightly different to apprenticeships here in Northern Ireland. It is the model that has been proven to work, and it is about identifying those young people who are not going to university. It has the knock-on effect of helping and supporting existing businesses to build their capacity as well.

Somebody spoke earlier about having a big bang. Apprenticeships are clearly a great way of bringing young people into the sector. Not only should we look at the model, set up a wage subsidy, ask ourselves should we involve the public sector and whether it should be done as it is done across the rest of the UK, although it would be interesting to look at that, but we should provide good careers advice to young people, so that they can see how they can get apprenticeships. You have got all these people, and there are shortages in technical theatres. There is a huge area of growth. People could have jobs, but we do not have the trained people available. So, we should provide clear careers advice about how they can get into the industry, ensure that apprenticeships work and that they are supported by government, look at wage subsidy, look at the colleges — FE and HE — to provide the training alongside that as well, and then start to recruit people. You then have the knock-on effect of helping to build the businesses that those young people are coming into.

Ms Graham: To pick up on your point that they have been very commonplace in other industries: they have not been in our sector — certainly not the kind of formal apprenticeship frameworks that are approved by government. So, there is definitely a job to be done in educating our sector about the opportunities of apprenticeships and letting them know how to recruit in that way and give those opportunities to young people. Having done the initial engagement to get our pilot up and running, the sector is very interested in apprenticeships and very supportive. It really likes the idea of investing in young talent coming through, and also to have this credible vocational pathway for training in its organisations. However, as I said, there are challenges around microbusiness. If you have a staff of only two or three people, it is quite hard to take on an extra member of staff; it is a big undertaking. That is where the wage subsidy comes in, and it has been an enormous help to employers in England and elsewhere in the world, and in Wales, which had the whole model. That is a big challenge.

I understand why DEL does not fund apprenticeships in the public sector or arm's-length public bodies. However, that restriction does not happen anywhere else in the UK. Considering the number of venues and theatres we have that are linked to their local authority and the number of cultural venues and arts centres that are all tied in, that places restrictions, especially, as Simon said, as some of our key skills gaps are around those technical areas. There is an enormous opportunity to communicate that vision and opportunity of apprenticeships to our sector and to get the word out to generate those opportunities, and it is something that we are keen to do.

Mr McGimpsey: OK. Tell me this: how many years does a creative apprenticeship last?

Ms Graham: It depends on the individual. However, at the minute, we have them approved at level 2 and level 3, so the length of time would depend on what level they were at. Typically, a level 2 might take around a year, and a level 3 might take up to 18 months.

Mr McGimpsey: That is quite good. For a bricklayer, a joiner or an electrician it is three or four years. However, that is if they can get the apprenticeships — again a DEL problem. The key thing appears to be DEL.

Ms Graham: Yes; there are challenges around the guidelines, and that is something that Matt Johnston touched on when he gave his evidence on behalf of Digital Circle. Given the way that the structures are set up, it is certainly easier for larger employers to take on apprenticeships, rather than smaller microbusinesses or small and medium-sized enterprises, because of the guidelines around the minimum of 21 hours a week when they must be employed. All of those are good things, and I encourage that employment model. However, I wonder whether we can discuss the issue of more flexibility around that, particularly for our sector. A massive amount of our sector — 45% — is freelance/self-employed, and 78% are microbusinesses, which is five people or fewer.

Mr I Kennedy: A further real challenge for our sector, certainly in the creative media part of it, is that recruitment has, traditionally, tended to be at level 5 and above. You are absolutely right: personally, I believe that, because of the controversy surrounding tuition fees, a lot of young people may automatically decide not to choose university. We are in danger of losing a lot of very creative young people unless, as you say, we find a way to grab them at 18 years of age.

Mr Smith: This time last year, Scotland had no apprentices whatsoever. Yesterday, I checked the registrations, and we have 203 across fashion textiles and digital media. The single biggest breakthrough we had was BBC Scotland committing to recruit 10 apprentices on a one-year contract, and its plan is to recruit 10 every year for four years. They will be on a fully employed status for that year, but they will be thrown out into the freelance marketplace when they complete their apprenticeship. That is one of our big challenges. We are not preparing people for a job, but, through apprenticeships, we are preparing people for employment and providing them with the qualifications needed for that.

To emphasise the scale of the challenge, we had over 700 applications for 10 apprenticeship places. We are now going through the process again and will have a similar number and possibly more, as more people know about the programme. It has been very successful. I spoke to the 10 apprentices on their induction day, and they all looked like frightened rabbits. I spoke to them about two or three weeks ago to offer them opportunities to articulate on to further and higher education programmes through our academy network — that is an interesting progression in its own right — and you would be hard-pressed to find a more confident, articulate and smart bunch of youngsters. I am sure that your experiences with creative apprenticeships will be similar.

Interestingly, other organisations are now looking at that framework and want to take it on. We have nine apprentices starting through the campaigning body Young Scot. They will not be trained within Young Scot; they will be employed there, but they will be farmed out to communications departments and digital media departments in other organisations, including government agencies, such as Creative Scotland and Historic Scotland, and the communication and marketing departments of local authorities.

Therefore, we are starting to see the potential for apprenticeships that develop creative digital skills within a wider marketplace than what you might think of as the traditional media markets. We are very excited about how we can continue to develop that and how we can expand the pathways that are available through the framework to include more targeted pathways in disciplines such as post-production, web development, advertising, etc. We are very fortunate to have the support of Skills Development Scotland to help fund the training costs. Skills Development Scotland also provides an employer recruitment incentive that can be worth up to £2,000 to employers that take on a young person. In keeping with what Simon said, anything that can be done for small and micro companies to give them a bit of help towards employment and recruitment costs is invaluable.

Mr Dancey: One of the most successful areas across the UK is Wales, as the Welsh Government introduced a wage subsidy. I work in the skills sector across Scotland, Wales and Northern Ireland, and you start to see the pictures of where things work and where the right levers of government and policy can help things to work. Wales got it right. They identified the creative industries as the priority sector in government and decided to put some money into supporting a wage subsidy for employers. It is not a huge amount of money, but it is enough to make small employers come to the table and make it work for them. It is about enacting policy in a practical way that has an end result. We are like Creative Skillset in that our aim is to get people into sustainable jobs. That is what we are about, and that is true whether it is the creative media sector or the cultural sector. An apprenticeship is a great way of doing that, and, as policymakers, you have the opportunity to put something into place that could help create jobs relatively easily.

Mr Smith: Another way of making it work is shown through our experience with knitwear manufacturers in the Scottish Borders. We now have 13 of the leading high-end cashmere producers collaborating on an industry-wide local apprenticeship programme. Currently, 50 apprentices are signed up and they want to recruit another 50 in the coming year. We got additional public support to help to develop the training and assessment infrastructure and the administrative capacity to manage that programme. Without that central support, it would not have happened across those 13 companies. That

programme has been so successful that other companies in the area want to come on board, and the Scottish Textile Industry Association, the national trade body for the sector, is looking at the model and how it can roll it out across the rest of Scotland. Anything that can be done to provide support and help bring employers together to work collaboratively would be useful. The phrase that is used down south, in England, is "group training association", but really that means pulling together employers and providing central support. With that structure in place, it becomes easier to work towards apprenticeships.

Mrs Hale: Thank you for coming today. My questions are about the apprenticeships. What are the minimum qualifications for entry, given that, as Michael says, a lot of creative younger people are not academically minded? Who identifies and develops the courses that will suit those younger people? Simon talked about the importance of transferable skills. What are the opportunities for mature students? If a carpenter or electrician wanted to go into set design or become a lighting engineer, would they be able to access those apprenticeships to transfer their skills?

Ms Graham: A lot of those are set out in the DEL guidelines. There are quite strict restrictions on who can access apprenticeships. You cannot if you have a degree or tertiary education, basically. So, minimum qualifications are not such an issue as it would not necessarily preclude people without any qualifications. In fact, the people on our pilot have a mixture of qualifications. A core part of the apprenticeship qualification is essential skills; government have made that provision. Someone might come without the basics in numeracy and literacy — a GCSE in maths or English — but that is built into the apprenticeship framework. In fact, it is compulsory, and that can present problems in its own way. So, the minimum requirement for entry is more about the personal spec or what the employer is looking for in a candidate. Qualifications are not as much of an issue. I have forgotten the other elements of your question.

Mrs Hale: Who identifies and develops courses? How do you know what industry needs?

Ms Graham: That is an ongoing exercise. Anybody who is developing those courses does so with industry, and we identify the key skills gaps. We have an apprenticeship framework in technical theatre, and we work with theatre technicians and the whole performing arts sector to understand what skills the employer needs and, therefore, what should go into that qualification. That is how it happens. We then take that qualification to government for approval. Effectively, it is signed off by the industry and approved by government, and there is all sorts of rigour around that with apprenticeship frameworks. It is then on a public government framework to be accessed by employers.

Mr I Kennedy: Side by side with the apprenticeship framework, there is a tremendous amount of work for FE colleges in that regard, especially with the vocational professions that you mentioned, such as carpentry and electricians. It would be terrific if the FE colleges added an extra module on specialism in lighting design on a set, or set construction in film and television. I do not know if any of you have been around the set of 'Game of Thrones' in the Paint Hall, but the craft skills that have gone into creating those magnificent sets are amazing.

A couple of years ago, a make-up artist came to me to say that she had been contracted by 'Game of Thrones' and she needed very quickly to get hold of eight or nine make-up artists in Northern Ireland. That was terrific, solid work for six or seven months. She put out a call and some very well-presented young ladies arrived with their boxes and beautiful make-up, and she said, "Can you do scars, hair and blood?" and they looked at her with horror. There was no module in their FE course about stage, film and television make-up. We have been lobbying hard to try to get those little extras into that because, undoubtedly, the growth is there in our sector and in film and television drama, and it will definitely increase. Those sorts of craft and technical skills will blossom if we get the training right.

Mr Dancey: It is worth looking at England; even though I look after Wales, Scotland and Northern Ireland, I occasionally look at England. That is where apprenticeships were first launched in the creative industries, and they brought together a group of 20 FE colleges as a membership organisation across the whole of England and looked at developing specialisms with those FE colleges to deliver apprenticeship frameworks. It is exactly what you said. They brought the FE colleges in through a formal relationship. Sara talked about our National Skills Academy model. One of the things that we

plan to do in Northern Ireland is to have that dialogue with both the FE sector and the HE sector and bring employers together.

The creative industries change so quickly, and it is the same right across all our footprints. What was common practice in animatronics, make-up or prosthetics two years ago is now gone. You have to constantly reinvent the frameworks. It is one of the fastest changing areas of the economy. However, bringing FE in and having a formal relationship to influence what is done is a good way of ensuring that apprenticeships and continuing professional development are in place.

Mr Smith: Much of that development will be based on national occupational standards of performance, which both Creative Skillset and Creative and Cultural Skills develop through an ongoing process of engagement with industry. There are industry-accepted standards of performance and clear learning outcomes that can inform and influence the design of coursework at FE and HE level. Ensuring that all those pieces join together means that the experience of the student or candidate and the outcome for industry is as closely matched as possible.

Mr McMullan: Thank you for your presentation. You keep using the word "freelancers". It sounds like a disease. Why do you not just call them self-employed? There is a barrier in not saying "self-employed". One of your problems is that the marketplace is so volatile. It is interesting that nine out of 10 people working in film production are self-employed, while three out of 10 people working in the TV industry are self-employed. There has to be some sort of rationale for that.

We talk about apprentices, but I do not buy that. You cannot be an apprentice for one year. It could be a smokescreen in the industry. While you are trying hard to do what you are doing, I do not think that we should go down the road of building false hope that there are apprenticeships out there. For example, how many apprentices does the BBC take on at the minute? Can anyone tell me? The BBC cannot tell me. It does not have any that I know of. It does not have an active programme of taking on a young boy or girl as an apprentice and bringing them on to be whatever.

Mr I Kennedy: The BBC works with Community Service Volunteers.

Mr McMullan: It works with outside bodies, but it does not take on apprentices as direct employees. You talked about 'Game of Thrones', which was terrific, but a lot of the lighting and design people were brought over from England. That has to be a problem.

Mr I Kennedy: I will address that specifically. Creative Skillset and Northern Ireland Screen provide a significant amount of funding every year to support 'Game of Thrones', in bringing on a whole range of trainees, from carpenters and plasterers to assistant production managers and accountants. On series two of 'Game of Thrones', six accountants were being trained in film and television accountancy. Creative Skillset and Northern Ireland Screen are taking advantage of 'Game of Thrones' being here to provide very specific opportunities for a number of different roles in the production.

Mr McMullan: I have looked through your document very closely, and the Irish model is not mentioned once; not once. Tax breaks and incentives for the film and television industry are a lot higher down South. We keep mentioning the Scottish, English and Welsh models, which are all fine in their own field. However, we have on our doorstep an industry that gives more incentives and tax breaks. We have a large television corporation, RTÉ, at our back door, but it is not mentioned once. Why is that? We have the incentive to give people bigger tax breaks, which is what it is all about. The BBC and our own industries are making programmes down South. They go to Europe to make the large programmes that we have watched on television recently. Why can we not have a joint approach with our counterparts in Ireland, rather than working with Scotland, England and Wales all the time? We have a big industry at our back door, but we are not utilising it.

Mr I Kennedy: Screen Training Ireland provides training for a lot of Northern Ireland-based freelance —

Mr McMullan: Why is it not mentioned in your document?

Mr I Kennedy: Because it is a private training organisation.

Mr McMullan: But we have mention of England, Scotland and Wales in here.

Mr I Kennedy: I do not think we mentioned any training organisations in Scotland.

Mr McMullan: It does not matter whether it is training or anything else. If there is a vehicle there for improving our industry —

Mr I Kennedy: Creative Skillset works with a range of training organisations in HE, FE and the private sector. One of the organisations we work with is Screen Training Ireland, which provides training. That said, Screen Training Ireland requires people to travel to Dublin or wherever for training. We believe that the more localised training you can provide, the more people are likely to take it up, so our emphasis is on trying to encourage private training organisations here to develop, and also for continuing professional development courses to be developed, through the Creative Skillset Media Academy Network, for example, to encourage more local people to take up local training.

Mr McMullan: I totally agree with that; but we are spending £500,000 on training how many people?

Mr I Kennedy: Fifteen people, over 18 months, paid at minimum wage.

Mr McMullan: That is in collaboration with the BBC and —

Mr I Kennedy: And Northern Ireland Screen.

Mr McMullan: Could we not even look at collaboration with RTÉ or some of the other industries there to see if a scheme there could work? You talk about having to travel down — Lord save us, it is an hour and a half or two hours down the road.

Mr I Kennedy: It is not for me to speak about RTÉ's finances at the moment, but, as you know, RTÉ is a contracting organisation at the moment, as is the whole industry in the South. It has been extremely badly damaged financially, whereas we are seeing growth here through the development of Channel 4 programming and BBC network programming. Our colleagues in the South are only looking at contraction. Therefore, there is a considerable worry about oversupply of a workforce, especially in the Republic of Ireland.

Mr McMullan: I take what you are saying, but surely, if you have an industry at your back door, we should at least be looking at its potential.

Mr I Kennedy: One of Northern Ireland's most successful independent production companies, Green Ink, produces RTÉ 1's daily afternoon show, and has set up a major production office. A lot of its employees move between Belfast and Dublin to work on that. That is probably one of the biggest contracts that RTÉ gives out, and it is to a Northern Ireland company.

Mr McMullan: That is good to see, but it is not in your document.

Mr I Kennedy: Sorry; it is not my role to talk about independent companies' contracts.

Mr McMullan: But it is my role to look at a report, and that is why I am asking you. I am not criticising you; I am only asking why it is not in there, because that example gives people hope that we are collaborating.

Mr I Kennedy: I accept that. It is a perfect example of a company that has developed its entrepreneurial and business skills, which we were talking about, to move into a new and different market.

Mr McMullan: That is what it is all about; it points out that we have another industry on our doorstep. We do not have to be crossing the sea all the time.

Mr I Kennedy: When we talk about the freelance workforce, you will find that an awful lot of freelancers in Northern Ireland work regularly across the border as well, because the nature of being freelance — or self-employed, if you will — is to go where the work is, and they do.

Mr McMullan: Exactly. Do you agree with me, then, that the tax breaks in the South of Ireland are substantially better and are a vehicle for attracting more —

Mr I Kennedy: I would have said that before the Budget, but now the Budget has extended those tax breaks to high-end television drama, animation, gaming and other areas, so now we are in a much more competitive situation.

Mr McMullan: Television too?

Mr I Kennedy: Yes. High-end television drama has now been included in the tax breaks. You have to remember that, in that sense, Northern Ireland and the Republic are in competition to attract inward investment from those productions, and always have been. Now, as a result of those tax breaks, Northern Ireland has been put in a more advantageous position.

Mr McMullan: Can we get it into our psyche that we have another industry here in Ireland and can look at examples on our doorstep, rather than having to cross the sea all the time to look at examples? That is all that we are asking: to get over that barrier of mentioning Ireland along with the rest.

The Chairperson: Mr McMullan, I think that point has now been made.

Ms Graham: May I pick up on the apprenticeships? What you were saying there sounded almost — I do not want to say misleading — as if you were asking where we were going with apprenticeships and other opportunities. I am not sure that I entirely understand that, but the point is that they have not existed in our sector before, and we are trying to create those opportunities.

We realise that there is a job to be done to communicate those opportunities to our employers and make young people aware that they can access them. We need to let employers know that this is a credible way to recruit and train people. That is a culture change for our sector. That is all part and parcel of rolling out those apprenticeships, and we recognise that that is not going to be a walk in the park. However, we are committed to doing it because we feel that the benefits are worth it. I hope that, in the long term, there will be very good employment routes through apprenticeships.

Mr McMullan: That is good.

The Chairperson: Thank you very much for coming today and sharing your experience and knowledge of this area with us.