

## **A Brief History of Creative R&D in the UK: 1994 – 2024**

Graham Hitchen, Tom Campbell, Ruichao Wang  
2025

*Citation reference to follow*

The history of UK scientific research is complex – encompassing far-ranging policy debates, industries with global markets, shifting political priorities, autonomous and often long-standing institutions, regulatory standards and technological advances. In recent years, creative research and development has emerged as an increasingly important and visible element within this broader narrative, driven by many of these same wider trends, but also with its own very distinct features and dynamics.

It is an opportune moment to summarise and reflect on this story, much of which has taken place over the last three decades. [Invest 2035](#), the Government’s ‘modern industrial strategy’ identifies the creative industries alongside the likes of clean energy, advanced manufacturing and life sciences as being one of the eight sectors in which the UK is acknowledged to be world leading, and to have the highest growth opportunity. At the same time, the strategy highlights research and development, along with skills, infrastructure, access to finance and other ‘complex issues’ that are seen as being key to unlocking this growth.

Given the government’s ambitions, the study of UK creative R&D is therefore of more than historical interest. The policies and investment plans intended to generate impactful creative R&D and help to grow the wider economy will need to take account of the current landscape. While not as mature as other fields (the Arts and Humanities Research Board was founded in 1998, the Medical Research Council is more than a century old), it still represents a rich ecosystem of research institutions, innovation agencies, funding bodies, industry networks and much more. Understanding how these came into place, the role they play and how they interact will be critical to developing effective policies to best support them.

### **Why start in 1994?**

Creative R&D did not begin in 1998 (the year that the first Creative Industries Mapping document was published); nor did it start in 1994 (when the world’s first “[cyber-café](#)” opened in London, which over succeeding years became a network of spaces for early-stage creative digital R&D). But it was at around this time that it did start to become formalized, with a more considered and joined-up approach.

Up until the mid-1990s, the concept of research and development in the creative industries did not really exist in the sense of being a recognizable field – indeed, the creative industries themselves would not be a term in use until 1998.

Although before then there were no policies that explicitly identified the creative industries as an industrial sector, and therefore no corresponding funding streams or research programmes, creative R&D did of course still take place. Within Higher Education, there was no equivalent to MIT's renowned Media Lab, but by the early 1990s there were well regarded courses in digital arts at universities such as Middlesex and Bournemouth, and pioneering academics were collaborating on research projects – the Hypermedia Research Centre at Westminster University, for instance, brought together graphic designers, media producers and social scientists interested in digital technologies, and would hold events and coding classes at the first cybercafes that were springing up in London.

Almost certainly, the British creative institution in this period with the strongest tradition of R&D is the BBC, which has had a dedicated research department since the 1930s. For much of the 20<sup>th</sup> century, the BBC was integral to advances in broadcast, sound production and camera technology. Its Radiophonic Workshop is legendary for its experimental work in sound engineering, while the BBC's Natural History Unit has been at the forefront of developing such technologies as thermal imaging, time-lapse and high-definition television. Aside from the BBC, there were only a handful of corporations undertaking similar R&D at any kind of scale. Notable was EMI's Central Research Laboratories where important audio-visual technologies were developed including early LCD displays, stereo sound and the first scanners.

Many of the key researchers, whether academics or in industry, were working in isolation. Individual academics would be based within university departments, such as computer science, which were often not amenable to multi-disciplinary research, while even the very largest creative businesses were unlikely to see themselves as being research intensive organisations. There was little in the way of a wider community of creative researchers, while the kinds of structures and product development pathways that were established in industries such as pharmaceuticals or electronics did not yet exist.

### **1995-2003: The Invention of the Creative Industries**

The mid-nineties marked the crucial point in which the creative industries came to be recognised by government and by businesses themselves. The defining moment was the publication by DCMS of the [Creative Industries Mapping Document](#) which introduced the concept of grouping together those industries that “have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property.” More than this, it named thirteen sub-sectors, ranging from advertising to TV and radio, as constituting the creative sector – and in so doing, initiated twenty years of arguments about what should, and should not, be included.

Even as the creative industries were being defined and classified, they were also changing and converging, as digital technologies began to impact on the production and

distribution of creative content. The rise in personal and business internet use and the accompanying dot.com boom meant that there were now substantial audiences and consumers of interactive media, along with nascent online advertisers. Creative experimentation and even some commissioning was being driven by new production tools and cross-platform formats. Television producers, web designers, script writers and games programmers were starting to collaborate on joint projects and see themselves as belonging to overlapping industries: the trade body BAFTA initiated interactive entertainment and games awards, to run alongside its well-known film and TV awards.

The growing importance of convergence and cross-sector innovation was recognised by government, which had included software as one of the thirteen creative sub-sectors. In 1998 it founded NESTA with an endowment from the National Lottery and a mission to foster innovation across science, technology and the arts. The same year saw the establishment of the Arts and Humanities Research Board, to sit alongside the other research councils and to support research and postgraduate training in the arts and humanities, while the Arts Council and even the DCMS itself were experimenting with the funding of multi-disciplinary digital arts projects.

But when it came to actual creative R&D, national government was not the main source of investment. Of more importance was the network of regional agencies and devolved executives that were established across the country, with responsibility for economic and cultural development. Many of the creative businesses in this period that secured research funding, accessed business support and training, joined industry networks or went on overseas missions did so as a result of this regional investment. Equally important were the well-resourced and often far-sighted EU programmes which supported small businesses and aimed to encourage both transnational and cross-sector partnerships.

### **2004-2010: A New Approach to R&D**

Since the mid-1980s there had been a distinction in innovation policy between 'fundamental' or what is sometimes called 'curiosity-driven' research and those R&D activities thought to be more applied, and which are closer to market (see p.5 of [this report](#)). The presumption was that the former principally took place within universities and was suitable for government funding, while the latter should be undertaken, and resourced, by industry. This separation proved to be an enduring but, in many ways, unhelpful one, particularly in the case of the creative industries where experimentation and speculative research is often embedded in the commissioning and production process.

While the basic distinction between academic and industrial research still stands, it was in this period that a more sophisticated approach began to emerge. Rather than simply positioning academic versus applied research, a more granular and iterative understanding of the innovation process was required. The broader context to this were

concerns regarding the UK's level of R&D activity – the proportion of GDP spent on total R&D (public and private sector) had been 2.3% in the 1960s but this had dropped to 1.8% by the turn of the century. Consideration needed to be given by government as to how to support innovative businesses, especially SMEs, if it was to stimulate overall R&D investment.

This new approach was exemplified by the founding of the Technology Strategy Board – originally in 2004 as a unit within the Department for Trade and Industry, and from 2007 onwards as a separate public agency. It meant that there was now a dedicated funding body charged with promoting business-led innovation, including the creative industries. Over the next twenty years, the TSB would be a major investor in the design, development and commercialization of innovations in interactive media, electronic publishing, cross-platform production and immersive technologies. Meanwhile, the BBC at this time was still a major centre for R&D, experimenting with interactive features (particularly in sports and education) and developing the Internet Media Player to enable web-based audio and video content, and which would be the forerunner to the BBC iPlayer.

More than just new structures and funding agencies, this was a time of new thinking. There was an increasing recognition that the standard definitions of R&D and innovation metrics used by international governments and policy makers were inappropriate for many sectors and especially the arts and social sciences. In the innovation literature, the paradigms for product development, which had tended to draw heavily on the manufacturing industries were being challenged by broader research that was more reflective of the UK's predominantly service-based economy.

Alongside the policy debates, it was a period of great expansion in Higher Education across the UK, with a proliferation of new university buildings, departments and multi-disciplinary centres. The dot.com boom may have ended, but broadband internet was being rolled out and the first smartphones were coming to market, spurring a demand for interactive media designers, programmers and digital content producers. Universities and specialist art colleges were setting up degree and masters courses to meet the skills demand but they were also working more closely than before with industry and collaborating with businesses on research projects. Regional development agencies, eager to support start-ups and small businesses in their area, were often willing to provide the funding for universities to develop spin-out incubators, technology testbeds, innovation networks and other facilities to encourage enterprise and knowledge exchange.

### **2010-2017: Creativity and Innovation**

In the aftermath of the financial crash, with a new government and an emphasis on fiscal austerity, there were dramatic reductions in public funding in culture and the creative industries. The regional agencies were dismantled, there were repeated cuts to local authority budgets and dedicated funding bodies such as the UK Film Council were

either shut down or merged. However, research was one of the few areas in which public funding was maintained during this period – reflecting a consensus that investment in science, innovation and R&D was crucial to the long-term prosperity of the country.

This included the creative industries, whose continued political importance was seen in the establishment of the Creative Industries Council, co-chaired by the DCMS Secretary of State and composed of leading business figures. The Council took a strong interest in the TSB (now renamed Innovate UK) and the family of new organisations that were emerging at this time, even as regional support was diminishing: the Knowledge Transfer Network, the Digital Economy Catapult and Creative England.

The continued emphasis on business-led R&D was driven in part by familiar anxieties that the UK's creative industries were failing to fully exploit the value of its talent and inventiveness. The global creative economy had recovered from the crash and was growing rapidly, driven by the coming together of telecommunications, media and technology companies, digital production tools and online distribution channels. However, for all the UK's creative strengths, much of the economic value was being captured elsewhere. Whether it was film and television platforms, music streaming services, social media brands, e-book readers or online gaming, the UK was falling behind international, and especially American, competitors. This was particularly the case with social media where the UK's innovations and nascent online communities were soon eclipsed by the meteoric growth of the US brands, which either acquired or overwhelmed them. The government was putting considerable effort into championing 'Tech City', the cluster of media and technology companies in East London, but the reality was that it was dwarfed by other global centres – most obviously Silicon Valley, in which there was a nexus of technologists, large businesses, fast-growing start-ups and venture capital at a scale that the UK could not match.

This was spelled out in Innovate UK's 2013 Creative Industries Strategy. It was almost exclusively concerned with the coming together of the creative and digital economies, and the need for UK-based creative businesses to innovate products and services aimed at global markets. It was accompanied by a substantial and high-profile R&D funding programme, announced by the Chancellor, and focused on cross-platform production and, in particular, the UK's successful post-production and special effects industries.

Meanwhile, innovation practice as well as policy was evolving. As creative businesses and researchers engaged more closely with technologists, so the methods and R&D processes associated with product design and software engineering became more widely adopted. Researchers trained in the arts or social sciences were taking part in open innovation activities such as hackathons, bootcamps and sandpits. This engagement went both ways: technologists and developers were also eager to learn human-centred design practices, with an appreciation that it was not so much the underlying software but the interface and user experience that had been crucial to the success of market leading platforms.

## **2017-24: The Creative R&D landscape today**

Following the referendum and the UK's eventual exit from the EU, there was a new urgency within government around industrial policy and strategies to promote economic growth. The UK's creative industries were an important element of this, having been a rare bright spot in a decade of stagnation and growing at roughly twice the rate of the UK economy as a whole. With research and innovation being seen as key to raising productivity, it meant that within UKRI, the new over-arching body for all of the research councils, creative R&D took its place alongside established research-intensive areas such as life sciences, engineering and energy.

Related to this was a renewed interest in the UK's economic geography and tackling regional inequalities. The creative industries, like other high-growth sectors, were disproportionately located in London and the South East of England, and contributing to the unease that the benefits and opportunities of the UK's knowledge economy were not being widely shared. As part of the government's 2018 industrial strategy, the AHRC's Creative Clusters programme therefore represented a major investment in place-based R&D, with nine universities across the UK receiving substantial funds to co-ordinate research and innovation with local businesses and organisations. In tandem with this was Audiences of the Future – £40m worth of Innovate UK competitions in immersive technologies within the fields of art, culture, heritage and entertainment. A notable aspect of this was the £15million allocated to four demonstrators, representing the largest ever investment in individual creative R&D projects.

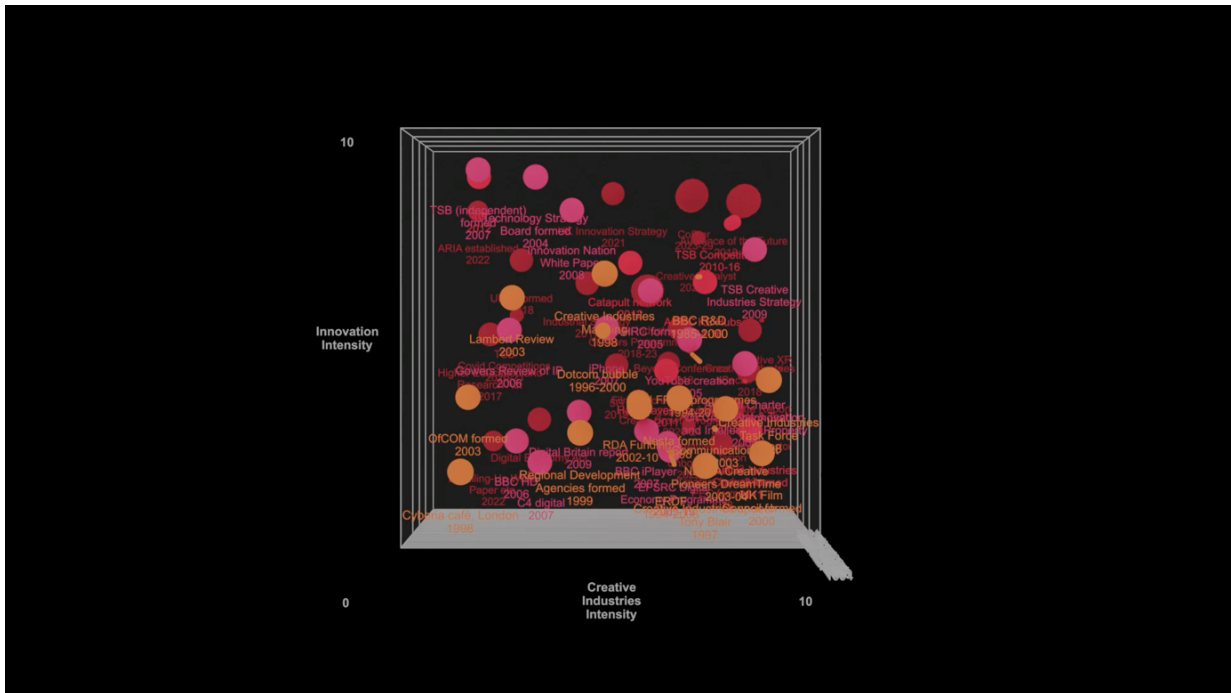
By the 2020s, it was possible to think of the creative R&D topography that had evolved over the last quarter of a century as a coherent landscape, underpinned by a strong evidence base and commitment from government. The Creative Policy and Evidence Centre, founded by the AHRC alongside the Clusters, had published extensive research on innovation in the creative industries and helped make the case for R&D tax relief in video games, film/TV and animation. Most ambitious of all was CoSTAR – a £75million national network of research infrastructure intended to develop virtual production and new technologies in the screen and entertainment sectors. Just as important as infrastructure in setting a common agenda is BEYOND which since 2019 has been instrumental in framing challenges and bringing together the UK's creative technology research community through events, missions and its annual conference.

Now well established within the UK, creative R&D is taking on a broader perspective. At the international level, innovation policy has been increasingly focused around 'grand challenges' and missions: the complex societal issues such as climate change, ageing population, urban development and mental health that governments around the world are grappling with, and which the Covid pandemic exposed. With the creative industries taking their place alongside other major sectors, they too are expected to play their part in this, with creative-led R&D becoming increasingly prominent in healthcare, education

and a range of other fields. The progress of the last decades is therefore providing the bedrock for sustained and impactful research and innovation, rooted in creativity, but which ultimately is expected to go far beyond the creative industries in the years to come.

## Creative R&D Timeline 1980-2024

*Selected Creative R&D and Innovation moments and programmes*



*Creative R&D visualization, which plots each of the events and programmes listed below onto a 3-D model showing ‘Creative Industries intensity’, ‘Innovation intensity’, and a timeline from 1994-2024  
(Click twice to animate)*

### BBC and its Competitors in the 1980s and 1990s

Established originally in 1930, and pioneering digital innovation from the late 1980s, BBC R&D has been instrumental in advancing broadcasting technology. Over the decades, it has pioneered significant innovations, including the development of high-definition television standards, interactive services like Ceefax in the 1970s, and digital broadcasting formats such as Digital Audio Broadcasting (DAB) in the 1990s. In 2007, BBC R&D played a key role in launching the BBC iPlayer, revolutionizing content accessibility and audience engagement by enabling viewers to stream and download programs online.

The 1980s and 1990s saw the BBC navigating major shifts in broadcasting, driven by technological advancements, increased competition, and industry consolidation. The BBC faced growing challenges from satellite and cable television, as well as the rise of digital media and the internet, forcing it to adapt while maintaining its public service role.

In the 1980s, the BBC Radiophonic Workshop remained at the forefront of sound innovation, but it closed in 1998, reflecting broader industry changes. The arrival of satellite broadcasting transformed television, with Sky Television launching in 1989 and merging with British Satellite Broadcasting (BSB) in 1990 to form BSkyB. The shift to



digital broadcasting accelerated in the late 1990s, with Sky Digital launching in 1998 and cable television consolidating into Virgin Media by 2007.

The BBC also expanded its online presence, launching its first website in 1994 and officially establishing BBC Online in 1997. Interactive services like BBC Red Button (1999) and early streaming experiments with Integrated Media Player (iMP) in 2003 paved the way for BBC iPlayer (2007). However, projects like BBC Jam (2006–07) and the Digital Media Initiative (2008–13) faced costly failures, raising concerns over its effectiveness in large-scale R&D.

### **Greater London Council (GLC) funding (1981–1986)**

The GLC under Ken Livingstone, despite its eventual dissolution by the Thatcher government in 1986, played a key role in supporting experimentation in cultural economy activities in London. It supported grassroots arts and cultural projects, many of which were geared towards marginalized communities. Funding was provided for small creative enterprises and independent cultural groups, helping to lay the groundwork for what would later be known as the creative industries. This period was critical for recognizing the cultural sector as economically valuable, setting the stage for later policy interventions.

### **EU Framework Programmes (FP4–FP7) (1994–2013)**

The European Union's Framework Programmes (FP4-7, 1994-2013) supported research, technological development, and innovation across Europe, with some of the funding going towards creative industries. FP4 (1994-1998) through FP7 (2007-2013) sought to increase Europe's competitive edge in knowledge and creativity-driven sectors by funding projects that fostered innovation and cultural exchange. This provided critical R&D support for creative and digital industries, enabling collaborative projects across national borders.

### **EU ERDF Funding for Creative Industries (1995-2000)**

The European Regional Development Fund (ERDF) became increasingly focused on supporting creative industries in the late 1990s as part of broader efforts to foster regional innovation and economic diversification. Funding under this programme helped local creative enterprises access resources, innovate, and scale, particularly in regions transitioning from traditional industries to more knowledge-based economies. These interventions were crucial for small creative businesses across Europe, which often faced challenges accessing traditional funding routes.

### **Dotcom Bubble (Late 1990s)**

The dotcom bubble was a period of excessive speculation in internet-based companies from the mid-1990s to 2000. Many tech startups, driven by investor enthusiasm and the rapid growth of the internet, received massive investments despite having weak business models. While the bubble burst in 2000, resulting in substantial losses, it catalyzed innovation in the tech and creative sectors, laying the groundwork for the future digital economy and the creative industries' integration into digital platforms.

### **UK Creative Industries Task Force (1998)**

The Creative Industries Task Force was established by the UK government in 1998, recognizing the growing economic importance of creative sectors. The task force, under the Department for Culture, Media and Sport (DCMS), was tasked with promoting the creative economy and aligning government policy to better support it. This included improving access to finance, intellectual property protection, and fostering innovation. It was pivotal in institutionalizing support for creative industries within government policy frameworks.

### **UK DCMS Creative Industries Mapping Document (1998)**

The 1998 "Creative Industries Mapping Document" produced by the DCMS was a landmark report, defining the creative industries for the first time and quantifying their economic impact. It identified sectors like music, design, film, and advertising, and provided statistics on their contributions to GDP. This document established the UK's global leadership in recognizing and supporting creative industries and became a template for other countries in the years to come.

### **NESTA (1998)**

The National Endowment for Science, Technology, and the Arts (NESTA) was established in 1998 through an endowment of £250 million from the UK National Lottery. Its mission was to promote innovation across science, technology, and the arts, helping individuals and organisations bring groundbreaking ideas to life. Initially a non-departmental public body, NESTA's focus included supporting entrepreneurs, inventors, and researchers through a blend of grants, investment, and advisory support. Over time, NESTA's role expanded to influence innovation policy in the UK, developing a reputation as a thought leader on issues like public service innovation, social entrepreneurship, and the creative economy. In 2012, it became an independent charity.

### **Regional Development Agencies (RDAs) (1999-2012)**

The creation of RDAs in 1999 was a major step towards decentralizing economic development in the UK. Creative industries became an important focus for several RDAs as they recognized the potential for innovation, job creation, and cultural impact within these sectors. RDAs such as Yorkshire Forward, One North East, and Advantage West Midlands developed bespoke strategies to support creative enterprises, providing funding for skills development, business incubation, and sector-specific support services. This contributed to regional creative hubs, attracting investment and fostering talent outside of London. However, the RDAs were abolished in 2012, with their functions being absorbed by Local Enterprise Partnerships (LEPs).

### **UK Film Council (2000-2011)**

The UK Film Council was established in 2000 to promote the UK film industry. It provided funding, support, and policy direction, helping the British film industry grow both domestically and internationally. The council played a key role in making the UK an attractive location for filmmakers, providing grants for production, distribution, and skills development.

### **Culture Online (2000)**

Announced in September 2000, Culture Online was a government initiative designed to expand public access to arts and culture through digital platforms. Part of the Department for Culture, Media and Sport's (DCMS) Information Age Strategy, it aimed to go beyond simply providing online access by encouraging active participation in cultural experiences. Culture Online was intended to enrich the educational curriculum, using the internet—and later, other digital media—to make performing arts, museums, and heritage sites more widely available. The programme received £2.34 million in funding for 2000–01, with similar allocations until 2002–03, but was not sustained beyond that. While short-lived, Culture Online anticipated the rise of digital-first cultural engagement, laying the groundwork for future initiatives that blended technology, education, and public access to cultural heritage.

### **Online Caroline (2000)**

Launched in April 2000, Online Caroline was an early experiment in interactive digital storytelling. Created by Tim Wright, Rob Bevan, and Tom Harvey, it blended personalized emails and web-based interactions to create an immersive narrative. Users received daily emails from Caroline, a fictional character, making them feel like part of her world. The website featured diary entries, webcam footage, and interactive choices, dynamically shaping the experience based on user engagement. Unlike traditional hypertext fiction, Online Caroline blurred the lines between fiction and reality, pioneering techniques later seen in alternate reality games and interactive dramas. The project was critically acclaimed, winning a BAFTA for Best Online Drama in 2000. Its success demonstrated the potential of digital platforms for real-time,

participatory storytelling, influencing future developments in electronic literature, transmedia narratives, and interactive fiction.

### **The Rise of Social Media (2000s–2010s)**

The emergence of social media in the early 2000s marked a fundamental shift in digital communication, providing new ways for users to connect, share, and interact with online content. During this period, platforms evolved rapidly, shaping how individuals engaged with digital media and redefining online networking.

In the early 2000s, social networking was still in its early stages. Friends Reunited (2000) was among the first UK-based platforms to facilitate social reconnections, allowing users to find former classmates through a simple directory system. MySpace (2003) quickly became a dominant space for self-expression, offering customizable profiles and music-sharing features that made it particularly popular among independent musicians and creatives. Flickr (2004) transformed online photo-sharing by providing a platform specifically designed for photographers, incorporating advanced tagging and community-driven content discovery. Bebo (2005) gained a strong user base in the UK and Ireland, introducing interactive features such as personalized skins and the "Bebo Luv" function, which encouraged daily engagement between friends.

By the mid-2000s, the social media landscape was increasingly influenced by Google-owned platforms. YouTube (2005) played a pivotal role in the rise of video-based content, fundamentally changing how media was consumed online. At the same time, Twitter (2006), rebranded as X in 2023, introduced microblogging, providing a space for real-time discussions that transformed news dissemination and digital activism.

By the late 2010s, social media had become increasingly algorithm-driven. TikTok (2016) accelerated the shift toward short-form video, using AI-powered recommendations to maximize engagement and introduce new content consumption patterns. The evolution of these platforms underscores the continuous adaptation of social media in response to shifting user behaviors, regulatory challenges, and advancements in AI-driven content discovery. The dominance of video, short-form content, and interactive features has positioned social media at the centre of modern digital communication, shaping both user engagement and online culture in the decades to come.

### **UK Communications Act (2003)**

The Communications Act 2003 was a significant piece of UK legislation that modernized regulation across telecommunications, broadcasting, and the internet. It created the Office of Communications (Ofcom), a unified regulator for all communications industries. The act was instrumental in creating a competitive and innovative environment for digital services, influencing the creative and media industries in particular.

### **The Lambert Review (2003)**

The Lambert Review of Business-University Collaboration, published in 2003, examined the relationship between higher education institutions and businesses, with a particular focus on innovation. It recommended stronger partnerships between universities and creative industries, recognizing the potential for collaborative research to drive economic growth. The review led to initiatives that enhanced knowledge exchange and commercialization of research in the creative sector.

### **Office of Communications (Ofcom) (2003)**

Ofcom, the UK's communications regulator, was established under the 2003 Communications Act to oversee broadcasting, telecommunications, and the internet. Its role includes promoting competition, ensuring fair play in digital markets, and protecting consumers. For creative industries, Ofcom has played a crucial role in shaping the regulatory environment for television, radio, and online platforms, thus fostering innovation and protecting content creators' rights.

### **NESTA Creative Pioneer Programme (2003–2007)**

The NESTA Creative Pioneers Programme was launched in the early 2000s to support entrepreneurs within the creative industries. This programme was designed to address the barriers creative individuals faced in terms of accessing finance, navigating intellectual property, and developing business skills. Participants received training, mentorship, and funding to turn their creative ideas into sustainable businesses. Over its course, the programme helped hundreds of creative entrepreneurs, and an evaluation in 2006 showed it contributed significantly to fostering innovation and business development in sectors ranging from media to design. By providing resources and structured support, NESTA aimed to empower creative individuals to become successful, long-term contributors to the UK economy.

### **Technology Strategy Board and Early Competitions (2004–2007)**

The TSB, now known as Innovate UK, was established in 2004 as an advisory body within the Department of Trade and Industry to promote technological innovation across all sectors, including the creative industries. In 2007, the TSB became an independent public body, marking a significant milestone in its mission to drive innovation and economic growth through research and development.

During its initial phase, the TSB launched a series of competitions to stimulate technological advancements and support business-led innovation. These competitions provided funding and resources to projects with the potential for significant economic and societal impact. They focused on fostering innovation in areas such as digital and interactive media, immersive technologies, and design-led solutions, offering support for creative businesses.

### **RDA Creative Industries Network (2004–2012)**

In 2004, the RDAs formed a specific Creative Industries Network to further support the sector across regional boundaries. This network encouraged collaboration between regions, allowing them to share best practices and resources. Through joint initiatives, RDAs sought to stimulate growth in creative clusters, particularly in film, television, gaming, and design. The network also aimed to tackle common barriers such as access to finance and infrastructure, helping creative enterprises become more sustainable and competitive on both national and international stages.

### **YouTube (2005)**

Launched in 2005, YouTube revolutionized the way content is produced, distributed, and consumed. By providing a global platform for user-generated videos, it democratized access to audiences and lowered barriers to entry for creative content producers. This has had a profound impact on industries like music, film, and advertising, creating new monetization opportunities for creators and becoming a key player in the digital economy.

### **Setting up of Channel 4 Digital (2005)**

Channel 4 launched its digital television services in the early 2000s, with the formal creation of its digital channels, including E4 and Film4, in 2005. This move was part of Channel 4's broader strategy to diversify its offerings and reach younger, digitally-savvy audiences. E4, which initially launched as a subscription service in 2001, became free-to-air in 2005, offering youth-focused programming and acting as a testing ground for Channel 4's drama and comedy content. Film4, Channel 4's dedicated movie channel, also transitioned from a subscription model to free-to-air. The digital expansion of Channel 4 allowed it to remain competitive in a rapidly changing broadcasting landscape, especially as more audiences moved away from traditional TV to digital platforms. These digital channels helped Channel 4 expand its reach while exploring new forms of content, reinforcing its reputation as an innovator in UK television.

### **Formation of the Arts and Humanities Research Council (AHRC) (2005)**

The AHRC was established in 2005 as a key public body funding research in arts and humanities disciplines in the UK. The AHRC has played a critical role in supporting research that intersects with the creative industries, such as studies on cultural heritage, design, and media. It also encourages collaboration between academics and creative businesses, supporting innovation within the sector.

### **Adelphi Charter on Creativity, Innovation, and Intellectual Property (2005)**

Adopted in 2005, the Adelphi Charter is a global policy framework aimed at ensuring intellectual property laws support creativity and innovation without stifling access to knowledge. The charter advocates for a balanced approach to IP that encourages cultural production while ensuring that creators and innovators benefit from their work. It has influenced debates on copyright reform and the role of IP in the digital age, particularly in sectors such as publishing, film, and music.

### **Gowers Review of Intellectual Property (2006)**

The Gowers Review, published in 2006, was a comprehensive examination of the UK's intellectual property system. It aimed to balance the interests of creators, businesses, and consumers. The review made recommendations to ensure the IP system supports innovation and creativity while protecting the public's access to information and knowledge. It led to reforms in areas like copyright law and enforcement, impacting industries such as music, film, and publishing.

### **Setting up of BBC HD (2006-2013)**

BBC HD, launched as a trial service in 2006, was the BBC's first venture into high-definition broadcasting. It was part of the broader shift towards digital and high-definition television in the UK, reflecting consumer demand for better picture quality and enhanced viewing experiences. Initially, BBC HD offered limited content, including sports, documentaries, and drama, to test the market's readiness for HD broadcasting. By 2007, it transitioned into a full-time channel, providing flagship BBC content in HD, ranging from major sporting events like the Olympics to popular dramas such as Planet Earth. BBC HD marked an important technological advancement in public service broadcasting, enabling the BBC to stay competitive in the growing digital market. In 2013, BBC HD was replaced by BBC Two HD, as the BBC expanded HD services across its portfolio.

### **BBC iPlayer (2007)**

Launched in December 2007, BBC iPlayer revolutionized how audiences accessed BBC content. iPlayer was among the first major video-on-demand services introduced by a public broadcaster, offering users the ability to stream TV programmes over the internet for free. Initially, it provided a seven-day catch-up service for BBC shows, but it quickly expanded to include live streaming, radio, and, eventually, box sets and exclusive content. The iPlayer's user-friendly interface, seamless integration with multiple devices (including desktops, mobiles, and smart TVs), and high-quality content have made it one of the most popular streaming services in the UK. Its success signaled a shift away from traditional broadcast schedules toward an on-demand viewing model, influencing how other broadcasters like ITV and Channel 4 approached digital streaming.

### **The First iPhone (2007)**

Apple launched the first iPhone in June 2007, transforming not just the telecommunications industry but also the creative and digital economies. The iPhone's combination of touchscreen technology, internet connectivity, and multimedia capabilities revolutionized the way people interacted with mobile devices. Its introduction of the App Store in 2008 opened up new opportunities for software developers and creative businesses, leading to the development of mobile games, social media platforms, and digital content creation tools. The iPhone was a key driver in the shift to mobile-first internet use, which had profound implications for industries like music, film, and advertising, as well as for individual creators looking to reach global audiences through digital platforms.

### **Ofcom's Public Service Publisher (2007)**

Proposed in 2007, Ofcom's Public Service Publisher (PSP) aimed to reimagine public service content for the digital age. Unlike traditional broadcasters, the PSP was conceived as a digital-first commissioning body, focused on delivering innovative, participatory, and interactive content across online platforms. Designed to complement rather than replace existing public service broadcasters like the BBC and Channel 4, it sought to engage audiences through on-demand digital media, including games, social platforms, and mobile content. The PSP's funding model, estimated at £50–100 million annually, was intended to foster creative independence and open access, encouraging new forms of storytelling and audience engagement. While the PSP was never implemented, its principles anticipated the rise of digital-first public service initiatives and the growing role of interactive and non-linear content, influencing later developments in online public service media and platform-based content distribution.

### **UK Innovation Nation White Paper (2008)**

The 2008 "Innovation Nation" White Paper, produced by the UK government, outlined strategies for positioning the UK as a global leader in innovation. It emphasized the importance of innovation across all sectors, including the creative industries, recognizing creativity as a key driver of economic growth. The paper encouraged greater collaboration between academia, industry, and government, with a focus on boosting investment in research and development. It also highlighted the role of digital technologies in transforming industries and promoted the idea of "open innovation," where businesses and research institutions work together to develop new ideas and solutions. This policy shift paved the way for future creative economy initiatives, such as the Digital Britain report and subsequent innovation strategies.



### **Engineering and Physical Sciences Research Council (EPSRC) Digital Economy Programme (2008–2022)**

The EPSRC Digital Economy Programme, launched in 2008, was a significant research initiative aimed at transforming the UK economy through digital innovation. The programme supported interdisciplinary research to explore how digital technologies could revolutionize sectors like healthcare, transport, and the creative industries. Projects funded under this programme often involved partnerships between academia, industry, and government, focusing on issues such as digital infrastructure, data security, and the societal impact of digital technologies. For the creative industries, this programme provided crucial support for the development of new digital content, interactive experiences, and immersive technologies such as virtual and augmented reality.

### **TSB Creative Industries Strategy (2009)**

The TSB launched its Creative Industries Strategy in 2009. The strategy was designed to support innovation in the creative sector by fostering collaboration between creative businesses, academia, and technology firms. It focused on driving growth through new digital technologies, supporting creative enterprises in areas such as digital media, games development, and design innovation. The TSB's strategy also aimed to improve access to finance for creative businesses, often overlooked by traditional investors due to the perceived risks associated with the sector. This initiative helped position the UK as a leader in creative innovation, with a particular focus on digital and interactive content.

### **Digital Britain Report (2009)**

The Digital Britain report, published in 2009, was a comprehensive government review of the UK's digital economy. The report highlighted the importance of digital infrastructure, content, and services in driving economic growth. Key recommendations included the expansion of high-speed broadband across the UK, particularly in rural areas, and support for digital content creation and distribution, which was critical for creative industries like film, television, and gaming. The report also recognized the need for updating intellectual property laws to reflect the realities of the digital age.

### **4G Technology (2009–2010s)**

The introduction of 4G technology in 2009 revolutionized mobile communications, offering vastly improved data speeds and network performance compared to its predecessor, 3G. This enhancement facilitated the seamless streaming of high-definition content, real-time gaming, and the proliferation of data-intensive applications, thereby transforming user experiences and expectations. The increased bandwidth and reduced latency of 4G networks enabled the rise of mobile-first services and applications, contributing to the growth of the digital economy and altering the landscape of industries such as entertainment, healthcare, and transportation.

### **The Hauser Review (2010)**

The Hauser Review, published in 2010, was a landmark report commissioned by the UK government to assess how the country could better support innovation and bridge the gap between research and industry. Led by Hermann Hauser, the review recommended the creation of a network of technology and innovation centres—later known as the Catapult Network. Hauser emphasized the importance of long-term government investment in these centres to ensure they become globally competitive. The review was critical in shaping the UK's innovation infrastructure, offering a strategic vision for how research institutions, businesses, and government could work together to commercialize cutting-edge technologies, particularly in fields like digital media, healthcare, and engineering.

### **The UK Catapult Network (Announced in 2010, following the Hauser Review)**

The Catapult Network was announced in 2010 as part of the UK government's broader strategy to foster innovation through sector-focused innovation centres. These centres, known as Catapults, were established following the recommendations of the Hauser Review, and are designed to bridge the gap between research and commercialization, particularly in areas where the UK has strong potential for growth. Each Catapult focuses on a specific industry, such as high-value manufacturing, digital technologies, and satellite applications. The Catapults provide state-of-the-art facilities and expertise to help businesses and research institutions collaborate on innovative projects. For the creative industries, the Digital Catapult has been particularly significant, driving innovation in areas like immersive technology (AR/VR), artificial intelligence, and digital manufacturing.

### **Hargreaves Review (2011)**

The Hargreaves Review, titled "*Digital Opportunity: A Review of Intellectual Property and Growth*," was commissioned by the UK government in 2011 to address challenges posed by the digital economy and recommend ways to reform intellectual property (IP) laws. The review aimed to align IP policy with the needs of the rapidly evolving digital market while fostering innovation and economic growth.

### **The Creative Industries Council established (2011)**

The Creative Industries Council (CIC) was established in 2011 as a joint forum between the UK government and leaders from the creative industries. Its primary aim was to promote growth, innovation, and competitiveness in the sector, which spans areas such as advertising, film, music, and digital media. The CIC provides strategic oversight and a platform for high-level dialogue between policymakers and industry professionals, advising on key issues such as skills, finance, and market access. It focuses on addressing challenges unique to creative enterprises, such as intellectual property protection, funding, and international trade. The council also plays a role in guiding government policy, particularly through its contributions to reports and strategies like

the UK's Creative Industries Sector Deal launched in 2018. The CIC has been instrumental in shaping the UK's approach to supporting its world-leading creative economy.

### **AHRC Knowledge Exchange (KE) Hubs Programme (2012-2015)**

The AHRC KE Hubs for the Creative Economy, launched in 2012, aimed to strengthen connections between academic research and the creative industries. With £16 million in funding, the programme established four hubs across the UK, each fostering collaboration between universities, creative enterprises, and cultural organizations. These hubs—Creative Exchange, Design in Action, Creative Works London, and REACT—focused on integrating research with industry needs to fuel innovation and generate economic impact.

Each hub specialized in different areas. For instance, the Creative Exchange, based in the North of England, explored how digital public space could be transformed through creative collaboration, while Design in Action aimed to promote design-led innovation in Scotland. The REACT hub, centered in the South West, connected creative enterprises with academic research, driving the development of new digital products and services. Creative works London focused on knowledge exchange across London's diverse creative ecosystem, working with cultural institutions and technology companies alike.

### **Innovate UK's Cross-Platform Production in Digital Media competition (2015)**

Innovate UK launched the Cross-Platform Production in Digital Media competition in November 2015, offering up to £4 million in funding for innovative projects. It aimed at advancing digital content creation across multiple platforms, a key focus of the UK's creative industries during this period. The programme provided substantial funding to companies such as Framestore and Industrial Light & Magic (ILM), leaders in visual effects and digital production. It supported the development of technologies and storytelling methods that could work seamlessly across various digital formats, including film, television, online content, and video games.

The objective was to foster innovation in the convergence of media platforms, encouraging companies to experiment with interactive and immersive experiences. The programme was instrumental in the development of cutting-edge digital tools and techniques for cross-platform storytelling, pushing the boundaries of visual effects, CGI, and other creative technologies.

### **Arts and Technology Pilot Programme (2016–2017)**

The Arts and Tech pilot programme, launched in 2016, was a collaborative initiative between Innovate UK and Arts Council England aimed at exploring the intersection between arts and technology. With approximately £250,000 in funding, the programme aimed to support innovative projects that merged creative arts with cutting-edge technologies.

Several projects were funded under this programme, such as Bear Abouts, which developed a multi-sensory digital storybook combining physical and digital elements. Another project, Noise Orchestra, explored the use of light-noise synthesizers to expand creative possibilities for musicians by integrating gesture and light into performances. The programme aimed to support creators by giving them access to technological tools and encouraging experimentation with new digital mediums.

### **Creative XR Programme (Launched in 2017)**

Creative XR is a programme launched in 2017 by Digital Catapult and Arts Council England to support the development of immersive content such as virtual reality (VR) and augmented reality (AR). The programme provides funding, support, and access to industry expertise for creative teams developing prototype immersive experiences. Creative XR was designed to encourage experimentation and innovation, helping UK creative businesses explore the potential of immersive technologies in areas such as storytelling, performance, and gaming. It serves as a key mechanism for positioning the UK as a leader in immersive content creation and promoting the commercial viability of immersive experiences within the global creative industries.

### **Higher Education and Research Act (2017)**

The Higher Education and Research Act of 2017 reformed the structure of higher education in the UK and established UK Research and Innovation (UKRI) as the new body overseeing research funding. UKRI consolidates the funding streams previously managed by individual research councils, ensuring a more coordinated approach to supporting innovation across all sectors, including the creative industries. This Act also introduced a new regulatory framework for universities and ensured greater focus on knowledge exchange between academia and industry. For the creative industries, this legislation was crucial in fostering collaboration between higher education institutions and creative enterprises, leading to the growth of innovation hubs and research partnerships.

### **Digital Economy Act (2017)**

The Digital Economy Act 2017 aimed to update UK laws to reflect the rapid growth of the digital economy and its impact on everyday life. Key provisions of the Act focused on improving the UK's digital infrastructure, enhancing data protection, and fostering innovation in digital services. For creative industries, the Act provided important measures to protect intellectual property rights, combat piracy, and promote broadband access. It also included provisions for public service broadcasters, which enabled them to adapt to changes in how people consume media content online. The Act laid the groundwork for digital transformation in various sectors, ensuring that the creative industries could continue to thrive in a technology-driven economy.

### **Bazalgette Review (2017)**

The Bazalgette Review, led by Sir Peter Bazalgette and published in 2017, was a government-commissioned review of the UK's creative industries. Its goal was to assess the sector's potential for growth and provide recommendations on how to maintain the UK's global leadership in creative sectors. The review emphasized the need for more investment in skills development, particularly in digital and technical skills, to meet the demands of an increasingly digital creative economy. It also highlighted the importance of R&D in creative businesses, urging the government to increase support for innovation in content production, distribution, and immersive technologies. The review's recommendations influenced the Creative Industries Sector Deal, launched in 2018 as part of the UK's Industrial Strategy.

### **Industrial Strategy (2017)**

The UK's 2017 Industrial Strategy outlined a long-term vision for boosting productivity and innovation across key sectors, including the creative industries. It identified four key challenges for industrial growth: artificial intelligence and data, clean growth, the future of mobility, and ageing society. The creative industries were recognized as a high-growth sector capable of driving economic transformation through innovation and digital technologies. The strategy aimed to support growth through skills development, research, and investment in creative R&D, promoting the UK's global position in creative technologies like film, video games, and design. The sector was seen as vital for a modern, knowledge-based economy.

### **Creative Industries Sector Deal (2018)**

Announced in 2018 as part of the Industrial Strategy, the Creative Industries Sector Deal was a £150 million investment aimed at enhancing the UK's creative sector. The deal focused on skills development, R&D, and infrastructure to drive economic growth. It included £33 million for immersive technologies, £50 million for creative clusters, and £2 million to build the Creative Industries Policy and Evidence Centre (PEC). It also emphasized diversity and inclusion, aiming to create more opportunities for underrepresented groups within the industry. The deal highlighted the importance of creative R&D in maintaining the UK's global competitive advantage.

### **UK Research and Innovation (UKRI) Formation (2018)**

UKRI was formed in 2018 to consolidate and oversee the country's research funding agencies. It brought together the seven research councils, Innovate UK, and Research England under one umbrella, coordinating strategic investment in research and development across multiple sectors, including the creative industries. UKRI plays a pivotal role in funding innovation, fostering collaboration between academia and industry, and delivering initiatives like the Creative Industries Clusters Programme and Audience of the Future.

### **Creative Industries Policy and Evidence Centre (PEC) (2018)**

The PEC was launched in 2018 as part of the Creative Industries Sector Deal to provide data-driven research and policy recommendations for the UK's creative sector. The centre brings together experts from academia, industry, and government to develop insights into key issues such as skills, investment, and the impact of technology. By generating evidence-based analysis, the PEC helps inform policy decisions, ensuring the sustainability and competitiveness of the creative industries.

### **UKRI Audience of the Future Programme (2018–2022)**

Part of the Industrial Strategy Challenge Fund, the Audience of the Future programme was a £39.3 million initiative to explore the potential of immersive technologies like virtual, augmented, and mixed reality for the creative industries. It supports large-scale collaborations between academia, industry, and technology providers to produce ground-breaking experiences in sectors such as gaming, live performance, and storytelling. Projects funded under this programme aim to demonstrate how immersive technology can create new business models, enhance audience engagement, and position the UK as a global leader in this field.

### **Creative Industries Clusters Programme (CICP) (2018-2023)**

The Creative Industries Clusters Programme (CICP), launched by UK Research and Innovation (UKRI) in 2018, was funded through the Industrial Strategy Challenge Fund. The programme received an investment of £56 million to support research and development within the UK's creative industries. This funding facilitated collaborations between universities, industry partners, and local businesses, leading to the establishment of nine creative clusters across the UK. Each cluster focused on specific sectors such as fashion, broadcasting, gaming, and immersive media, serving as hubs for innovation and bridging the gap between academic research and commercial applications. The CICP played a significant role in driving regional economic growth and reinforcing the UK's position in the global creative economy.

### **The Creative Industries Beyond Conference (2018- Present)**

The BEYOND Conference is an annual event that brings professionals, policymakers, and academics to explore the future of the creative industries. Established in 2018, it focuses on innovation, digital transformation, and the impact of emerging technologies across creative sectors. The conference serves as a platform for knowledge exchange, networking, and showcasing pioneering research and development projects that influence the evolution of the creative economy. By fostering dialogue on industry growth and challenges, BEYOND plays a key role in shaping the trajectory of the creative industries.

## **5G Technology (2019–Present)**

The rollout of 5G technology in 2019 marked a transformative era for telecommunications, delivering unprecedented internet speeds, ultra-low latency, and the capacity to connect a massive number of devices. With its ability to handle a massive number of connected devices, 5G transformed everyday experiences, enabling real-time applications such as autonomous vehicles, smart cities, and telemedicine.

For the creative sector, 5G has opened new possibilities in immersive content, such as virtual reality (VR) and augmented reality (AR), allowing creators to engage audiences with richer, more interactive experiences. The technology also supports ultra-high-definition streaming and cloud-based gaming, making it a key enabler for innovation across entertainment, advertising, and live events.

## **Innovate UK COVID-19 Competitions (2020–2021)**

In response to the economic challenges posed by the Covid-19 lockdowns in 2020 and early 2021, Innovate UK launched several funding programmes to support businesses, particularly those in the creative and innovation sectors. These initiatives aimed to help businesses adapt, survive, and thrive during the unprecedented disruption caused by the pandemic.

One key programme was the Sustainable Innovation Fund, which provided £191 million to support businesses developing innovative solutions in response to the pandemic's impact. This fund focused on sustainability, encouraging projects that could help create a greener, more resilient economy while addressing immediate challenges. Innovate UK also launched the Continuity Grants and Loans Scheme, providing up to £210 million in financial support for businesses at risk of closing due to cash flow issues during the lockdowns.

## **UK Innovation Strategy (2021)**

Launched in 2021, the UK Innovation Strategy outlined a long-term vision for making the UK a global hub for innovation by 2035. The strategy emphasized investment in research and development (R&D), collaboration across industries, and the adoption of cutting-edge technologies. It identified four key areas of focus: unleashing business potential, increasing public investment in R&D, ensuring innovation reaches all regions, and promoting collaboration between academia and industry.

The strategy introduced initiatives to support emerging technologies, including AI, clean energy, and advanced manufacturing. It also committed to increasing R&D investment to 2.4% of GDP by 2027 and highlighted measures to address skills shortages in STEM and creative fields. The strategy reaffirmed the government's commitment to supporting the creative industries, recognizing their role in driving economic growth and global competitiveness.

### **Advanced Research and Invention Agency (ARIA) established (2021)**

The ARIA was established in 2021 by the UK Government to drive high-risk, high-reward scientific research and innovation. Inspired by the US Defense Advanced Research Projects Agency (DARPA), ARIA was designed to operate with greater independence and flexibility than traditional funding bodies, allowing it to take bold approaches to tackle complex challenges.

ARIA focuses on transformative research projects with the potential to deliver breakthrough technologies and solutions. Unlike conventional funding mechanisms, ARIA has the freedom to fund speculative and experimental work without being constrained by immediate commercial outcomes. With a commitment to fostering innovation across sectors, including creative industries, ARIA aims to create an ecosystem that supports ambitious ideas and accelerates their translation into impactful technologies.

### **Horizon Europe (2021–2027)**

Horizon Europe is the European Union's primary research and innovation funding programme, running from 2021 to 2027 with a budget of €95.5 billion. Building on the success of Horizon 2020, it aims to strengthen the EU's global competitiveness by addressing societal challenges and fostering innovation across diverse sectors. The programme focuses on three key pillars: Excellent Science, Global Challenges and European Industrial Competitiveness, and Innovative Europe.

### **Levelling-Up White Paper (2022)**

The Levelling Up White Paper, released in 2022, outlined the UK Government's strategy to reduce regional disparities and promote equal opportunities across the nation. This comprehensive plan included 12 missions to be achieved by 2030, focusing on areas such as education, infrastructure, skills, and local leadership.

Key measures relevant to the creative industries included enhancing public investment in research and development (R&D) outside London and the South East, and improving transport and digital infrastructure to support local creative economies. The strategy also aimed to empower local leadership through devolution agreements, allowing regions to better tailor support for their creative and cultural sectors.

### **UNBOXED: Creativity in the UK (2022)**

UNBOXED: Creativity in the UK was a nationwide celebration of creativity and innovation that took place across England, Northern Ireland, Scotland, and Wales from March to October 2022. The programme featured ten large-scale projects that



combined science, technology, engineering, arts, and mathematics (STEAM) to deliver unique experiences to diverse audiences. These projects included immersive installations, interactive trails, and digital experiences.

### **Create Growth Programme (2022–Present)**

The Create Growth Programme was launched in 2022 by the Department for Culture, Media & Sport (DCMS) in partnership with Innovate UK. Designed to support the development of creative industries with high-growth potential across England, outside of London.

The Create Growth Programme – set to be completed in March 2025 – was set up by DCMS with £17.5 million investment in the six original regions, with up to £7 million provided by Innovate UK. In July 2023, the previous government published its Sector vision, in which it announced an additional £10.9 million to support a further six regions. Innovate UK provided another £6.92 million for the grant funding competition. The Investor Partnerships phase aims to address the ‘equity investment gap’ by encouraging highly innovative micro, small and medium-sized enterprises (SMEs) to attract investment that is aligned to early-stage research and development grant support.

### **Creative Catalyst (2022–Present)**

The Creative Catalyst programme, launched by Innovate UK in 2022, provides targeted support for high-potential businesses within the UK’s creative industries. With a total budget of £30 million, the programme aims to help micro and small businesses scale their operations, foster innovation, and drive economic growth in sectors such as design, gaming, fashion, and digital media. Through its phased approach, it offers grants of up to £50,000, along with tailored business support to develop and commercialise innovative projects. The programme encourages collaboration between businesses, academia, and other stakeholders, ensuring that creative ideas can transition from concept to market success.

### **CoSTAR (2023–Present)**

CoSTAR is a £75.6 million national research and development network of laboratories that are developing new technology to maintain the UK’s world-leading position in gaming, TV, film, performance, and digital entertainment sectors.

Delivered by the UK Research and Innovation (UKRI) Arts and Humanities Research Council, the programme is supporting new innovations and experiences that will enrich UK’s creative industries, economy, and culture. CoSTAR is funded through UKRI’s Infrastructure Fund, which supports the facilities, equipment and resources that are essential for researchers, businesses, and innovators to do groundbreaking work.

### **Creative Industries Sector Vision (2023)**

The Creative Industries Sector Vision, published in 2023, outlined the UK government's strategy to enhance the creative industries by 2030. Developed in collaboration with the Creative Industries Council, it focused on driving economic growth, creating jobs, and building skills. Key targets included increasing the sector's economic contribution by an additional £50 billion in gross value added (GVA) and generating one million new jobs.

The strategy included a £77 million investment to support creative clusters, foster business growth, and boost exports. Initiatives such as the 'Creative Careers Promise' aimed to address skills shortages and create opportunities for individuals from diverse backgrounds. The vision also emphasized the importance of private investment and innovation in strengthening the sector, particularly through emerging technologies and creative R&D.

### **Audio Visual Expenditure Credit (AVEC) (2024–2027)**

In 2024, the UK government announced reforms to its film tax relief system to modernize support for the film and television industry. The existing Film Tax Relief (FTR) will be phased out, with productions starting after March 2025 ineligible. By April 2027, the scheme will be fully replaced by the Audio-Visual Expenditure Credit (AVEC).

The new AVEC will replace the existing reliefs for film, high-end TV, animation, and children's TV, while the Video Games Expenditure Credit (VGEC) will replace the Video Games Tax Relief (VGTR). Under the AVEC and VGEC, film, high-end TV, and video games will qualify for a 34% credit rate, while animation and children's TV will receive a higher rate of 39%. To further support smaller productions, the Independent Film Tax Credit (IFTTC) will offer up to 53% relief on qualifying expenditure for films with budgets under £15 million.

### **Industrial Strategy Green Paper (2024)**

Published in November 2024, the new Labour government's Industrial Strategy consultation document, Invest 2035, identified Creative Industries as one of eight key growth-driving sectors. Led by the Department for Business and Trade (rather than the Department for Science, Innovation and Technology, that had led the previous Industrial Strategy), the Green Paper placed a new emphasis on inward investment – with the strategy's goal being to “capture a greater share of internationally mobile investment in strategic sectors and spur domestic businesses to boost their investment and scale up their growth.”