



House of Lords – Grand Committee - Thursday 10th December - 3pm to 4pm

Lord Clement-Jones “to ask Her Majesty’s Government what plans they have to support small grass roots music venues.”

UK Music is the umbrella body representing the collective interests of the UK’s commercial music industry, from songwriters and composers to artists and musicians, studio producers, music managers, music publishers, major and independent record labels, music licensing companies and the live music sector.

UK Music exists to represent the UK’s commercial music sector, to drive economic growth and promote the benefits of music to British society. The members of UK Music are listed in an annex.

The music industry in numbers

UK Music recently published its third annual study into the economic contribution of the music industry. Measuring Music revealed:-

- Total GVA contribution £4.1 billion
- Total export revenue £2.1 billion
- Total Employment 117,320

The sector has grown as a whole by 5% year on year¹.

Music tourism (from overseas and people travelling three times the average commuting distance for gigs and concerts) generates spend of £3.1 billion. This is identified in UK Music’s Wish You Were Here 2015² report which provides a music tourism breakdown for every UK nation and region.

Grassroots music venues

Venues act as important centres for cultural activity in our towns and communities. Grassroots music venues in particular act as important hubs for local music talent and offer a means by which musicians and performers can cultivate and nurture their creativity.

¹ <http://www.ukmusic.org/research/measuring-music-2015/>

² <http://www.ukmusic.org/research/music-tourism-wish-you-were-here-2015/>

The Mayor of London's Music Venue Taskforce reported in October that grassroots venues in the capital have declined by 35% in the past eight years.³ The report provides evidence to support the view that there has been a continued decline in the number of such venues, as identified earlier this year in the Music Venue Trust's report "Understanding Small Music Venues".⁴

Problems for grassroots music venues are not unique to the capital. Other cities have been affected. Venues in Birmingham, Manchester, Edinburgh, Glasgow, Bristol, Plymouth, Newport and Swindon, to mention just a few, have either closed or had considerable threats of closure placed on their businesses in recent years.

Lord Clement-Jones debate provides a timely opportunity to identify the reasons behind grassroots music venue closures and address how this can be rectified.

Explaining the challenges

There are a number of reasons to explain the continued threats to music venues:-

1. Growing population and rising property prices

A growth in demand for property in UK cities has led to increasing rents and landlords deciding to sell property and land to developers. This has placed rising financial burdens on pre-existing operators of grassroots music venues and made them vulnerable to a more liberalised planning system.

2. Rising business rates

Increased rental values lead to business rates going up. Very few venues receive any business rate relief, making them economically unviable without financial support. This is particularly acute in central London where rates can cost tens of thousands of pounds, but also in other major UK cities.

3. Planning Guidance

Guidance provided to planning authorities for how to deal with a grassroots music venue is insufficient. There is wording in the National Planning Policy Framework (NPPF)⁵ and National Planning Practice Guidance (NPPG)⁶ which is helpful yet the onus falls on planning officers to identify impacts without specific guidance being made available.

4. Permitted Development Right

³ https://www.london.gov.uk/sites/default/files/londons_grassroots_music_venues_-_rescue_plan_-_october_2015.pdf

⁴ http://www.musicvenuetrust.com/wp-content/uploads/2015/03/music_venue_trust_Report_V5-1.pdf

⁵ See 3rd bulletpoint in paragraph 123 here

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf

⁶ See 7th bulletpoint under "More specific factors to consider when relevant:" under Paragraph 006/"What factors influence whether noise could be a concern?" here

<http://planningguidance.communities.gov.uk/blog/guidance/noise/noise-guidance/>

This was introduced in 2013 to enable offices to be converted into homes without having to apply for full planning permission, bypassing environmental noise assessments. Venues that happily existed previously alongside office spaces now have residents as neighbours that will raise complaints with local authorities concerning the noise emitted from venues, particularly in the evenings. This is despite the activities of the venues not having changed.

5. Licensing regulation

There is evidence that although many venues now no longer need a local authority entertainment licence for music, some councils are increasing the conditions they are placing on other aspects of their licence permission. This runs contrary to the spirit of the Live Music Act and further entertainment deregulation introduced in the previous Parliament. Whilst these venues should be benefiting from reduced red tape, for some it has increased.

6. Anachronist licensing conditions

Some venues still operate under capacity limits set prior to the smoking ban when there was a genuine fire hazard at gigs. Without these being reviewed venues are constrained in the number of patrons attending concerts, thus limiting their potential for profit from the events they put on.

7. Lack of subsidy

Unlike many venues across Europe, UK venues do not benefit from subsidy from central Government. The average subsidy across Europe is 42%, for France it is 60%. This has a consequence of putting UK grassroots venues at a competitive disadvantage when attracting international talent.

8. Fragmented approach to nighttime economy

Very few UK cities or local authorities have particularly coordinated approaches or strategies to the nighttime economy or live music. This is in contrast to international cities such as Amsterdam, Melbourne, Berlin and San Francisco which are increasingly introducing “Night-Mayors” or developing live music strategies. Such approaches firmly embed live music entertainment within the economic plans of a city or local area. At a time when there is great talk of “Northern Powerhouses” and increased regional devolution greater efforts should be taken to make our towns and cities as attractive places to play, as well as work and rest.

Areas of support

Despite the number of challenges faced by grassroots music venues, there are a number of solutions that the Government could consider taking in order to rectify the situation and decrease closures:-

1. Recognise “agent of change” principle

The “agent of change” principle puts responsibility for noise management issues on the incoming individual or business. This would mean that when a grassroots music venue is in place before a residential development, it is for the residential development to mitigate against potential complaints. This would significantly reduce the regulatory and financial burden placed upon venues when there is a new development in their vicinity.

Elements of the “agent of change” principle exist in guidance and the Mayor of London has indicated that it will be part of the London Plan 2018. However, it is not supported explicitly on a statutory basis in primary legislation. The Opposition has tabled amendments that would achieve this to the Housing and Planning Bill currently before the House of Commons which should be supported.⁷

2. Improved guidance

Supporting a statutory “agent of change” should be specific and bespoke guidance from central government to local authorities on how to treat grassroots music venues, particularly concerning incoming planning developments and licensing reviews. This would improve the understanding of planning and licensing officers and the committees they support. Such guidance should include reference to the economic and cultural value of these establishments.

3. Encourage greater use of “Deed of Easements”

The Deed of Easement of Noise between the Ministry of Sound and developers is an example of best practice in terms of ensuring pre-existing noise levels will not be challenged by incoming residents. The agreement essentially means that new residents essentially “buy into” the club’s ongoing operations, rather than being able to object to them. The Government should uphold these agreements as examples of best practice in resolving disputes between developers and venues.

4. Review business rates

The Government should offer full relief from business rates for grassroots music venues. Recognising their vital community role and financial pressures, a similar exercise is being conducted for local newspapers by the Government. Where possible local authorities should consider what powers they have to relieve the burden of business rates on struggling grassroots music venues.

5. Central Government coordination

Central Government would benefit from a more coordinated approach towards grassroots music venues. DCMS and DCLG have a direct interest, yet so do DEFRA and the Home Office. There should be at least a meeting twice a year between Ministers in these four departments to discuss the current health of grassroots music venues, bring in expertise from venues and local government also.

Annex

⁷ See NC19 and NC20 here http://www.publications.parliament.uk/pa/bills/cbill/2015-2016/0075/amend/housing_day_pbc_1202.pdf

UK Music's membership comprises of:-

- AIM – Association of Independent Music - representing over 850 small and medium sized independent music companies.
- BASCA - British Academy of Songwriters, Composers and Authors – BASCA is the professional association for music writers and exists to support and protect the artistic, professional, commercial and copyright interests of songwriters, lyricists and composers of all genres of music and to celebrate and encourage excellence in British music writing
- BPI - the trade body of the recorded music industry representing 3 major record labels and over 300 independent record labels.
- FAC – The Featured Artists Coalition – the voice of the featured artists.
- MMF - Music Managers Forum - representing 425 managers throughout the music Industry.
- MPG - Music Producers Guild - representing and promoting the interests of all those involved in the production of recorded music – including producers, engineers, mixers, re-mixers, programmers and mastering engineers.
- MPA - Music Publishers Association - with 260 major and independent music publishers in membership, representing close to 4,000 catalogues across all genres of music.
- Musicians' Union representing 30,000 musicians.
- PPL is the music licensing company which works on behalf of over 90,000 record companies and performers to license recorded music played in public (at pubs, nightclubs, restaurants, shops, offices and many other business types) and broadcast (TV and radio) in the UK.
- PRS for Music is responsible for the collective licensing of rights in the musical works of 114,000 composers, songwriters and publishers and an international repertoire of 10 million songs.
- UK Live Music Group, representing the main trade associations and representative bodies of the live music sector

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