



THE CREATIVE ENGINE

HOW MEDIA & ENTERTAINMENT POWERS THE UK'S CREATIVE ECONOMY

BY OLLY STANTON, DAMAYANTI CHATTERJEE & NEIL ROSS

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EXECUTIVE SUMMARY

MEDIA & ENTERTAINMENT POWERS THE UK ECONOMY



The media and entertainment sector (film, TV and radio) contributes **£29 billion in GVA and supports more than half a million jobs**. The sector powers creative clusters across the UK, that create **£470 million** in productivity gains from agglomeration every year.

THE SECTOR STANDS READY TO DO MORE



With the right investment and policy support, media and entertainment can deliver the next wave of creative growth. If sustained, the sector could contribute **28% of the Creative Industries Sector Plan's £31 billion investment target by 2035**.

UNLOCKING CREATIVE GROWTH



But the sector is at a crossroads. To reach this target, the UK must back its creative clusters, with competitive tax reliefs and a network of Creative Growth Zones, underpinned by stable long-term funding for PSBs. It must invest in the next generation with a new National Media & Entertainment Skills Platform to unite industry and government to create a single route for training and lifelong learning and it must keep innovating with new technologies.





CREATING GROWTH

MEDIA AND ENTERTAINMENT POWERS THE UK'S CREATIVE INDUSTRIES

The media and entertainment sector is one of the most productive parts of the creative economy, generating high-quality jobs and investing in skills, talent, and infrastructure across the country. Its growth rate has outperformed the wider economy. Its cultural impact then creates powerful spillovers, inspiring new talent, attracting global audiences and investment, and amplifying the strength of the UK's wider creative industries.

£29 BILLION

The media and entertainment sector **contributed £29 billion to the UK economy** in GVA in 2024. To put this in perspective, the entire sports sector is estimated to be worth around £20 billion a year.¹

550,000 JOBS

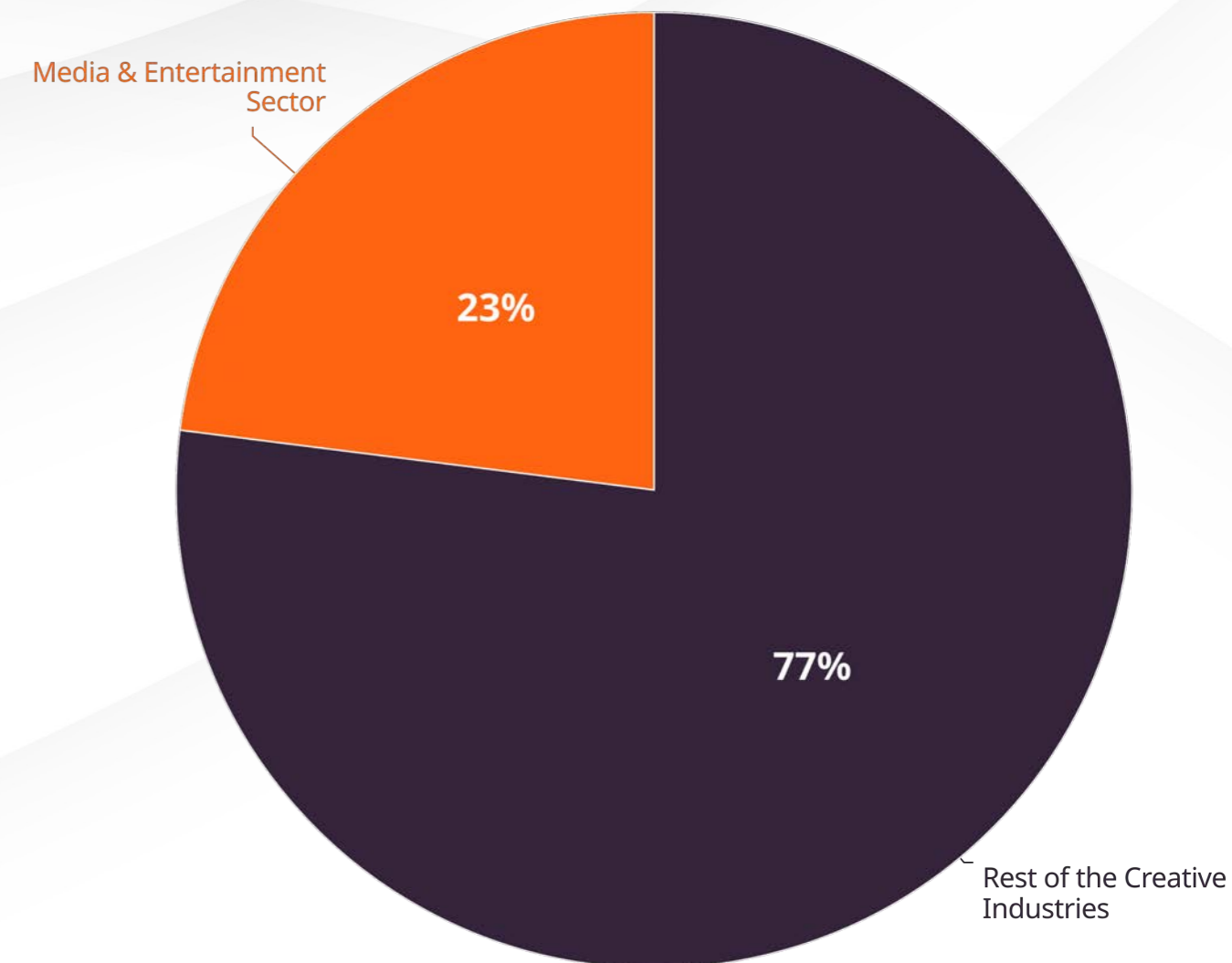
This impact is responsible for the equivalent of **550,000 jobs** – that's more than the UK's entire legal sector.²

93%

Of creative sector workers said that major media & entertainment companies play a role in **contributing to the success and growth of the UK's creative industries.**

¹ DCMS Economic Estimates

² TheCityUK



GVA of UK's Creative Sector

MEDIA AND ENTERTAINMENT DRIVES GROWTH ACROSS THE CREATIVE INDUSTRIES

Media and entertainment drives growth across the UK economy - but its impact doesn't stop there. The sector's investment in skills, technology and infrastructure has wider benefits, from music and gaming, to design and advertising. By fuelling collaboration, developing talent and pioneering new tools, success is multiplied across the wider creative landscape.

68%

Of creative sector workers said a strong UK media and entertainment sector **increases opportunities for collaboration and innovation** in their field.

45%

Despite making up just a quarter of the sector, 45% of creative sector workers said they **had personally benefited** from the UK's media and entertainment infrastructure.



ukie

GAMES POWER BRITISH IP



Gaming is one of the UK's most dynamic creative industries, consistently outperforming the wider economy. But it doesn't succeed in isolation: gaming thrives because it sits within a wider ecosystem of British creativity.

Technology first developed for games – like Unreal Engine – is now integral to film and television, from Hollywood blockbusters to Match of the Day. At the same time, gaming benefits from the talent developed across media and entertainment, from composers and screenwriters to voice actors and designers. Together, these crossovers create an ecosystem that is more than the sum of its parts.

British IP creates recognition around the world, showcasing the strength of our creative industries and attracting investment to the UK. With the right backing, our sector can keep creating the distinctive IP that entertains the world and keeps Britain at the cutting edge of global creativity.

Bhavina Jennings

Head of Communications and Campaigns, UKIE

A MIXED ECOSYSTEM MAKES MEDIA AND ENTERTAINMENT MORE PRODUCTIVE

Public service broadcasters (PSBs) make the long-term investments in talent, infrastructure and IP that underpin the UK's creative growth. Their role complements investment from streamers and others, creating a mixed ecosystem that makes the sector one of the most productive parts of the creative industries. By providing stability and nurturing new voices, PSBs remain a crucial enabler of growth in the future.

£8 BILLION

Public Service Broadcasters contributed £8 billion to the UK economy, equivalent to **120,000 jobs**. PSBs contribute more to the UK economy than the entire music industry (£7.6 billion).

84%

Of creative workers feel PSBs play an important role in **telling diverse stories that inspire creatives** around the UK.

83%

Of creative workers feel PSBs play an important role in **helping to develop new talent** through initiatives like apprenticeships and training schemes creating the skills needed to continue to grow the sector.



DAISYBECK STUDIOS: FROM YORKSHIRE ROOTS TO NATIONAL REACH



When we started in 2013, Daisybeck was a small indie with just a handful of commissions. Today we produce more than 110 hours of television a year and employ over 160 people across staff and freelancers. From The Yorkshire Vet to On the Farm, our shows celebrate British life and culture – rooted in the North but watched nationwide and internationally.

We're based in Leeds and it has transformed into a genuine creative hub. Where once talent felt it had to move south, people can now build lasting careers here. That shift has been powered by long-running commissions, with public service broadcasters - especially Channel 5 - playing a vital role in backing indies outside London and giving us the stability to grow.

The next chapter is about adaptation. Budgets are tight, freelance costs are rising, and direct-to-audience platforms like YouTube are reshaping the industry. To succeed we must diversify, but we also need support, from government and the wider sector. But the fundamentals are strong: the UK's reputation for quality and creativity means international partners already want to work here.

Mark McMullen
Creative Director, Daisybeck Studios



THE HEART OF THE UK'S CREATIVE HUBS

POWERING THE UK'S CREATIVE CLUSTERS

Media and entertainment has become a powerhouse of the creative sector by investing in creative 'clusters' across the nations and regions – bringing studios, suppliers, training providers and freelancers into the same places. This is known as agglomeration, and in turn leads to an increase in productivity by building strong, self-sustaining creative economies which create a virtuous cycle of investment.

£470 MILLION

The media and entertainment subsector drives £470 million per year in productivity gains from agglomeration across the UK's creative sector.

These highly productive clusters are key to growing the creative industries – and ensuring the benefits of that growth are felt across the UK.



WHAT IS AGGLOMERATION?

Agglomeration is the clustering of businesses, workers and investment in the same places, where frequent interactions raise productivity.

This occurs through:



Faster knowledge sharing and innovation spillovers



Better matching between employers and talent in local labour markets



Supply chain efficiencies, including shared services and economies of scale

Our agglomeration model quantifies those effects by measuring how additional creative workers amplify economic output for a given geography.

SKY: INVESTING IN CREATIVITY ACROSS THE UK



Media and entertainment creates highly skilled jobs that people can do wherever they are in the UK. Our work draws on talent from across all the creative industries — adapting novels into drama, employing designers from theatre and fashion, and bringing world-class performance to audiences nationwide through Sky Arts.

One of the UK's great strengths is its mixed ecosystem. It's given audiences a diverse range of content and fuelled investment across the UK. At Sky, we're committed to commissioning dramas rooted in British stories. From Lockerbie in Scotland to Brassic in Manchester and new productions in Wales, our shows help build regional clusters that sustain writers, directors and crews.

But costs are rising and skills are in short supply. To stay competitive, we need government to provide certainty on tax reliefs, ensuring they remain internationally competitive, and reform skills provision so that it works for freelancers. With the right support, we can keep creating world-class content and growing jobs across the UK.

Emily Davidson
Director of Policy and Public Affairs UK, Sky



SALFORD

Salford has become the beating heart of UK broadcasting outside London. The BBC's relocation to MediaCity – soon followed by ITV moving major operations north – transformed the city into a powerhouse of UK television. BBC Breakfast, Match of the Day and Blue Peter are all now made alongside ITV's Coronation Street, with both broadcasters anchoring a wider ecosystem of studios, indies and digital producers. From children's TV to live sport, Salford's studios now buzz with some of the UK's best-known shows.

105%

Within five years of the BBC and ITV's relocation to Salford and Phase 1 of MediaCity UK's investment in 2012, **the number of creative firms registered or headquartered in a 20km radius increased by 105%.**



£15 MILLION

Media and entertainment drives £15 million in productivity gains from agglomeration in Salford.

48%

PSBs drive £7 million (48%) of these productivity gains.

£7 MILLION

LEEDS

Leeds' media scene has boomed in recent years, thanks to investment from ITV, and Channel 4 setting up its new headquarters in 2019. The city now produces a stream of high-profile shows – from Channel 4 News to acclaimed dramas like Ackley Bridge – while also acting as a hub for factual and digital commissions. Leeds' combination of big-name anchors and indie innovators, backed by one of the UK's youngest populations, has cemented its role as a fast-growing centre for production and talent.

16%

In the three years following Channel 4's move to Leeds in October 2019, **creative sector employment in the area increased by 16%**. Comparatively, over the same period, national creative sector employment increased by 3%.



£6 MILLION

Media and entertainment drives £6 million in productivity gains from agglomeration in Leeds.

46%

PSBs drive £2.8 million (46%) of these productivity gains.

£2.8 MILLION

THE BBC: A CATALYST FOR GROWTH ACROSS THE UK



At the BBC, we've always seen ourselves as more than a broadcaster – we're an anchor for growth in communities across the UK. From Cardiff to Glasgow to Belfast, our investments have turbocharged entire creative ecosystems: Doctor Who's move to Wales helped create one of the UK's fastest-growing creative sectors, while BBC investment in Glasgow grew the foundations of Scotland's screen industry.

The future is about deepening that impact. By moving more commissioning, production and leadership out of London, we can represent the whole UK and make sure distinctive local stories are seen on national and global stages. With stable funding and the right policy support, the BBC will remain a catalyst for regional growth and a champion of homegrown creativity.

Rhuanedd Richards and Luke McCullough
BBC Nations



CHANNEL 4: CREATING CAREERS NATIONWIDE



I'm of the generation where you had to go to London if you wanted a career in national broadcasting. I'm really proud that things are different now. Between the BBC, Channel 4, Channel 5 and ITV, so much content is being made in the North and in the nations that people can have fulfilling careers without uprooting themselves or paying prohibitive London rents.

The results of this approach are clear. Companies that once lived commission to commission are now securing returning series and winning higher tariff programmes. That means greater stability, more ambitious content, and real career development for people who want to stay rooted in their own communities. Strong creative sectors in Scotland, Wales and Northern Ireland benefit everyone: local economies, audiences, broadcasters and advertisers.

Sinead Rocks
Managing Director for Nations and Regions, Channel 4

GLASGOW

Glasgow has emerged as the screen capital of Scotland – with BBC Scotland at Pacific Quay and STV leading that charge. The city is now a hub for everything from scripted drama and comedy to cutting-edge factual and entertainment formats. Channel 4's Creative Hub has only deepened Glasgow's reputation for fresh voices and experimental programming. With a strong base of skilled freelancers, indie producers, and a rich cultural scene feeding into the industry, Glasgow's creative economy has global reach while staying rooted in Scottish storytelling.

RETURN ON INVESTMENT:

£1 → **£2.23**

We estimate that **every £1 spent** by the media and entertainment sector in Glasgow **generates a £2.23 return for the local economy.**



£8 MILLION

Media and entertainment drives £8 million in productivity gains from agglomeration in Glasgow.

28%

PSBs drive £2.3 million (28%) of these productivity gains.

£2.3 MILLION

CARDIFF

Cardiff is developing into one of the UK's key centres for media and entertainment. The BBC's investment in Roath Lock Studios, alongside the presence of S4C, ITV and a growing independent production sector, has anchored a vibrant cluster. This mix of public service broadcasting and private investment – like Bad Wolf Studios - has strengthened local skills, created new supply chain opportunities, and reinforced Cardiff's role as a hub for Welsh and UK-wide content.

47%

Within five years of the BBC's construction of Roath Lock Studios in 2012, **the number of creative firms registered or headquartered in a 20km radius increased by 47%.**



£4 MILLION

Media and entertainment drives £4 million in productivity gains from agglomeration in Cardiff.

44%

PSBs drive £1.7 million (44%) of these productivity gains.

£1.7 MILLION

CHANNEL 5: GIVING REGIONAL INDIES A CHANCE



At Channel 5, regionality is front and centre. Nearly half my budget is spent outside London – a deliberate choice to build production hubs that last. The key is backing returnable series that allow indies to employ people, train new talent and put down roots in their communities.

We also make sure smaller and diverse companies get a real shot at prime-time commissions. It's not about token development deals – it's about opportunities that help businesses grow and give people the space to learn their craft by actually making television. That, to me, is the essence of a public service broadcaster: commissioning across the UK and keeping regional voices authentic to our audiences.

Ben Frow
Chief Content Officer, Channel 5



ITV: ANCHORED IN THE NORTH



ITV is the biggest drama producer in the North of England, anchored by continuing dramas Coronation Street and Emmerdale. These soaps employ thousands of people each year, from actors and stunt performers to camera people and make-up artists. ITV Academy works closely with the soaps to expand opportunities across Leeds and Manchester.

But this historic success should not be taken for granted. As Ofcom concluded recently, the PSB system is under real pressure. Now is the time for policymakers to ensure that the PSBs can continue to anchor economic growth right across the UK's nations and regions.

Matt Cleary
Director of Production, Scripted UK, ITV Studios



**POWERING THE
NEXT WAVE OF
CREATIVE GROWTH**

BACKING MEDIA AND ENTERTAINMENT GROWS THE WHOLE CREATIVE SECTOR

Investment is the key to unlocking the UK's creative future. The Government's Creative Industries Sector Plan seeks to nearly double business investment in the creative sector by 2035, from £17 billion to £31 billion.

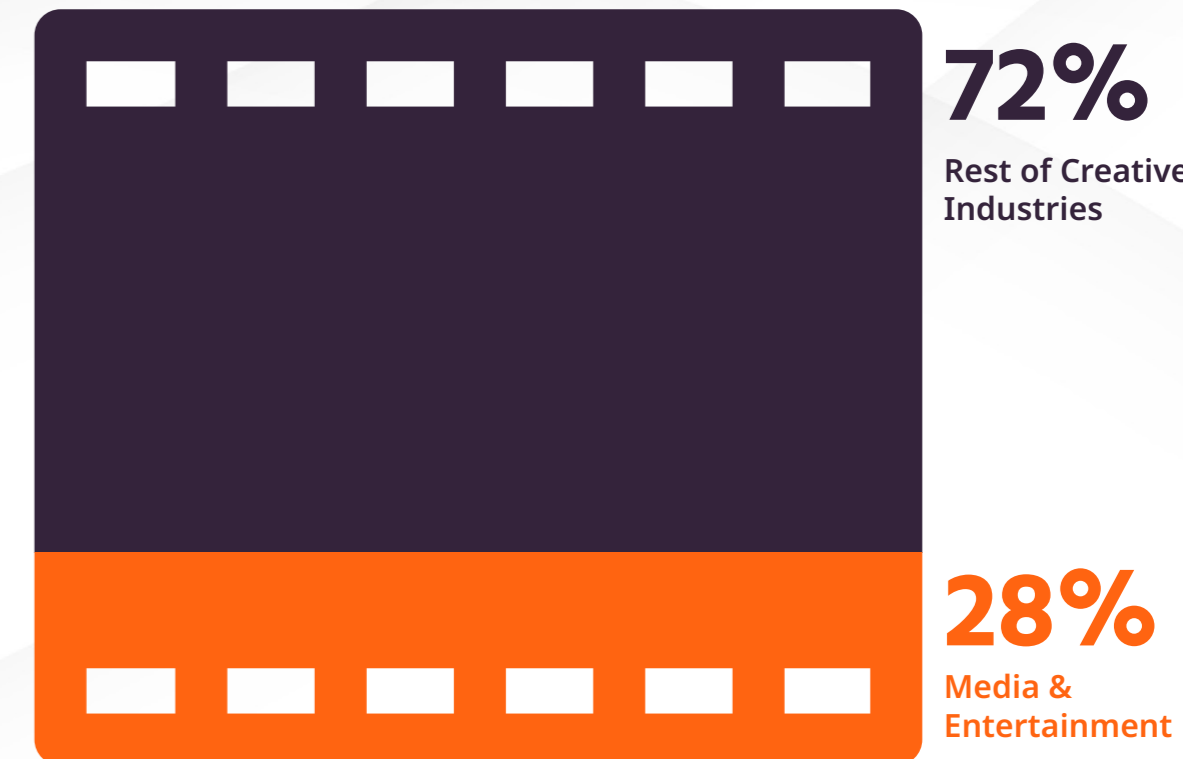
Around a quarter of the creative industries value add to the UK economy comes from the media and entertainment sector. With the right backing, this could grow - boosting regional economies across the UK and further supporting the whole of the UK's creative sector.

28%

If provided with the support needed to sustain growth in investment, the media and entertainment sector could **contribute 28% of the Creative Industries Sector Plan's £31 billion investment target** by 2035.

£9.6 BILLION

Furthermore, with continued support from government, we estimate that PSBs could **add a further £9.6 billion of GVA to the UK's creative sector by 2035.**



Contribution to the Government's £31 billion annual investment target by 2035.

THE CHALLENGES FACING THE SECTOR

But that investment won't be achieved without action. Current headwinds facing the production sector, coupled with financial challenges for PSBs leave decision makers at an inflection point – to grow further and faster or risk stagnation and a loss of the UK's competitive edge.

To ensure media and entertainment reaches its full potential, we must confront the challenges facing the sector. Regional clusters have begun to emerge but need greater backing to reach scale and sustainability. The sector is still difficult to break into, with limited entry pathways and a shortage of the digital skills needed for the future. At the same time, unstable and short-term funding makes it hard for companies to invest with confidence, a pressure that filters down into insecure and unpredictable work for the wider creative workforce.

76%

of creative workers said that **opportunities in the creative industries are not fairly distributed** across the UK.

69%

of creative workers said that **there are too few entry-level pathways** into the UK creative sector.

70%

of creative workers said **short-term or unpredictable project funding** was a major barrier to building/ sustaining a long-term creative career in the UK.

TERN TV: LOCAL STORIES, LASTING GROWTH



My view is simple: we win when we tell our own stories well. Beech Grove Garden grew from a small BBC Scotland series into a show now streamed in America.

To keep telling these stories, we need sustained regional investment. It works best when decision-makers live in the nations and regions – small companies cannot afford constant trips to London, and local commissioners are more likely to capture creative ideas that would otherwise be missed.

I've seen the impact first-hand: the BBC's decision to move quiz and "shiny floor" shows to Glasgow created an entirely new genre in Scotland and gave real scale to the sector.

Looking forward, there are real challenges. Freelance life remains precarious, with pressure to "go big or go home." That is why we need stable, inclusive investment across the regions. With steady PSB funding and co-commissioning that gives scale to companies outside London, we can keep powering the creative economy – and keep telling the stories that audiences everywhere want to see.

Harry Bell
Managing Director, Tern TV



UNLOCKING CREATIVE GROWTH

To secure the UK's creative future, Government and industry must work together to strengthen clusters, back the next generation, and embed a culture of innovation.

BACK CREATIVE GROWTH ZONES



Every Creative Growth Zone should have a one-stop hub for business support, linking local leaders with resources from bodies like the British Business Bank and UKRI. Expanding Help to Grow will give creative SMEs the training they need, while devolved powers can boost funding, filming rights, planning, and transport. Alongside long-term PSB funding and support, and globally competitive tax reliefs, this will sustain and grow investment in the UK's creative clusters.

INVEST IN THE NEXT GENERATION



A National Media & Entertainment Skills Platform should unite industry and government to create a lifelong learning plan, backed by bodies like Skills England and Skills Development Scotland. It would ensure transferable, recognised qualifications and simplify access to training in tech-focused creative skills. This would bring together existing schemes as well as creating a simple route for creatives to access future focused skills and retraining support.

CHAMPION CREATIVE INNOVATION



Ofcom must set out how, under its new Growth Duty, it will encourage the sector to invest in new technologies and innovation, including AI. The next BBC Charter must also be used to drive growth across the sector. Industry must collaborate on tech investment within a supportive policy environment to nurture UK-owned IP. Wider access to high-performance computing and modernised TV rights regulation will protect UK IP, boost innovation, and give investors confidence to back UK media and entertainment and ensure UK creative industries capitalise on new AI innovation.





ABOUT THIS RESEARCH

The BBC commissioned Public First to explore the impact of the media and entertainment sector on the UK economy. We used a range of methods for our research:

- An online poll of 1,022 adults working in the UK's creative sector between 12th – 14th August 2025.
- New independent economic modelling, the full methodology for which can be found [here](#).
- A series of 7 interviews with broadcasters, studios and creative trade associations.

Public First is an independent consultancy that works to help companies and organisations develop new policy proposals, better understand public opinion, and model their economic and social impact.

Public First is a member of the Market Research Society and the British Polling Council and we abide by their rules and guidelines.





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