

# **Green Growth Policy: Streaming VAT with Cultural Offsets & Community Entrepreneurship**

## **1. Introduction**

In a world grappling with climate change, social fragmentation, and cultural homogenization, there is an urgent need to rethink how we consume culture and entertainment. The rise of global streaming platforms has transformed entertainment consumption but at a cost: increasing carbon footprints, diminished local cultural engagement, and the erosion of shared community experiences.

This policy proposes a targeted 10 percentage point VAT increase on major streaming services operating in the UK. The revenue generated will fund local cultural regeneration, promote green growth, and support inclusive, community-driven entrepreneurship.

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## **2. Background and Rationale**

### **2.1 The Cultural and Environmental Cost of Streaming**

- Streaming consumes significant energy through data centers and networks, contributing to carbon emissions.
- It encourages passive, isolated consumption, replacing communal and interactive cultural activities.
- The decline of cinemas, theatres, and local arts threatens cultural diversity and social cohesion.

### **2.2 The Value of Local Culture and Shared Experiences**

- Local venues and activities build community, foster mental well-being, and support social inclusion.
  - Investing in local culture supports green jobs and sustainable economic growth.
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## **3. Policy Proposal**

### **3.1 VAT Increase on Streaming Services**

- Increase VAT by 10 percentage points on major global streaming platforms (e.g., Netflix, Disney+, Amazon Prime).
- This tax reflects the true social and environmental cost of passive digital consumption.

### 3.2 Ringfencing and Use of Revenue

- All revenue from this VAT increase will be ringfenced to fund local cultural infrastructure and programs.
- Funding areas include:
  - Local cinemas and theatres
  - Arts and crafts initiatives
  - Community theatre and music
  - Cultural education and events
  - Social marketing campaigns
  - Community entrepreneur support

### 3.3 Equity and Access: Cultural Access Vouchers

- Each adult and child in a household receiving benefits and will receive an annual voucher redeemable at local cinemas or theatres.
  - This ensures access to culture and offsets increased streaming costs for low-income families.
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## 4. Developing Community Entrepreneurs

To support sustainable local economic development, the policy includes a program for nurturing community entrepreneurs. These include:

- Dance, yoga, Pilates, martial arts instructors
- Music teachers, personal trainers
- Repair shops and "handyman" trainers
- Local crafts and cultural educators

### 4.1 Support Model

- **Two Funding Options:**
  1. **Salary Model:** Participants receive a salary equivalent to Universal Credit + 20%. The council retains any income from the project, up to a cap covering the project's cost.

2. **Profit-Sharing Model:** Participants receive Universal Credit + 50% of profits. The council retains a share only up to the amount required to cover its actual project costs.

- **Startup Assistance:** Councils provide initial funds for rent, equipment, and materials to get the enterprise started.
- **Council Incentive:** Councils may freely use any income generated (within the capped cost) to reinvest in local priorities, creating a financial incentive to support and grow successful projects.
- **Safety Net:** Universal Credit level support is maintained to ensure financial stability.
- **Duration and Renewal:** Support is provided for one year initially, with the possibility to reapply annually for up to five years.

#### 4.2 Application and Support

- Simple, rapid application process with clear criteria and fast decisions.
- Franchise model includes shared branding, infrastructure, coaching, marketing, and quality assurance.
- Strong monitoring and support structures to ensure accountability and success.
- From year two, participation in peer mentorship or project circles becomes mandatory.

#### 4.3 Expected Outcomes

- Increased green job creation and self-employment opportunities
- Reduction in reliance on imported goods and carbon-heavy consumption
- Strengthened community ties and local networks
- Economic empowerment, especially for those transitioning from benefits

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### 5. Social Marketing Campaign

Launch a national campaign: "**Give Stories, Not Stuff**"

- Encourage gifting of local cultural experiences over material goods.
- Promote examples like commissioning a local orchestra piece as a wedding gift instead of buying a diamond.
- Use YouTube and social media to celebrate and share these experiences.

- Reframe culture as both a green and deeply personal form of connection.
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## **6. Implementation Strategy**

### **6.1 National-Level Administration**

- VAT increase implemented via HMRC
- Revenue ringfenced for cultural funding and community entrepreneurship support

### **6.2 Local-Level Delivery**

- Councils administer programs, distribute funding, and manage vouchers
- Councils receive dedicated resources to manage support, quality assurance, and project monitoring

### **6.3 Monitoring and Evaluation**

- Track number and type of funded projects
  - Measure participation, employment outcomes, and wellbeing indicators
  - Evaluate carbon footprint impact
  - Monitor uptake and success of entrepreneur pathways
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## **7. Expected Impact**

- Generate ~£1.4 billion annually
  - Support up to 75 pilot cultural or enterprise projects per council
  - Stimulate local green economies and community resilience
  - Foster dignity, creativity, and sustainable prosperity across the UK
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## **8. Conclusion**

This policy uses a targeted tax on global entertainment platforms to rebalance our cultural economy. It champions localism, sustainability, and human dignity by restoring community connections and supporting inclusive, green entrepreneurship. It's a bold, fair, and forward-looking step toward a more connected and sustainable UK.