# UK must act swiftly to keep pace with AI revolution, warns tech CEO



The second wave of generative artificial intelligence is rapidly transforming the technological and economic landscape, yet the UK Government risks falling behind by focusing on outdated regulatory concerns. Aaron Jones, founder and CEO of Yepic AI, has urged policymakers to move beyond legacy issues—such as historical training data controversies—and instead engage with the emerging impact of AI. He argues this shift is vital for building a fair and innovative AI economy that balances progress with fair compensation for creators.

Jones warns that the Government’s current approach remains stuck in old debates, often engaging only early adopters and industry giants that have already profited from AI’s initial wave. This narrow focus, he says, risks repeating mistakes from the social media era, when tech firms shaped digital ecosystems to their own advantage, sidelining creators and public interest.

The rise of Agentic AI—autonomous systems capable of independent decision-making and active interaction—threatens to upend traditional value chains across publishing, advertising, e-commerce and beyond. These AI agents will change how consumers search, discover and engage with content and commerce, rendering current laws focused on data scraping increasingly irrelevant.

Industry experts stress that legal frameworks must evolve to reflect these changes. Proposals allowing AI firms to use copyrighted works unless creators opt out have sparked concern over the erosion of creators’ rights. Many advocate instead for licensing systems that give creators control over their intellectual property and ensure fair compensation. Such models would help build trust in AI while encouraging continued creativity—seen as key to sustained technological progress.

Proven solutions already exist. Platforms like YouTube and TikTok operate revenue-sharing schemes, while ProRata AI has partnered with more than 400 publications under a 50/50 revenue-share model, crediting AI-generated content back to its sources. This approach promotes transparency and fairness, addressing concerns from creators whose work is often used by AI without payment or consent.

The UK is now at a pivotal moment. Following the AI Safety Summit last November, where the country set out ambitions for AI leadership, political priorities have shifted. The new government under Keir Starmer plans to introduce binding rules on powerful AI models, ban harmful deepfakes and require transparency through mandatory release of test data. These measures aim to balance innovation with safety and protect creators, workers and the public. Meanwhile, cross-party MPs are calling for urgent copyright reforms to guard against AI exploitation and ensure fair compensation for creative industries.

However, significant obstacles remain. Efforts to integrate AI in the UK’s public sector face challenges from outdated systems and a shortage of digital skills. Much government data remains locked in legacy infrastructure, and attracting AI talent remains difficult. These barriers highlight a wider need for modernised infrastructure and strong ethical standards to support AI across both public services and private industry. Concerns raised by the Writers Guild of America also reflect the global scale of these issues. The guild’s recent strike focused on securing protections around AI’s role in scriptwriting—a concern likely to affect other sectors reliant on creative work.

To seize the opportunities AI presents and position the UK as a leader in responsible innovation, policymakers must urgently change course. Engaging with innovators driving the second wave of AI, adopting revenue-sharing models that fairly reward creators, and enacting forward-looking legislation will be essential. Without such changes, the UK risks allowing Big Tech to dominate AI’s future to the detriment of creators and the wider public.

This is a decisive moment. The Government’s readiness to adapt will determine whether the UK leads in building an ethical, innovative and inclusive AI economy.

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## Bibliography

1. <https://www.openaccessgovernment.org/why-the-government-urgently-must-focus-on-the-next-ai-wave/194434/> - Please view link - unable to able to access data
2. <https://www.ft.com/content/304d660f-6cac-4e38-a6d5-d8d98f5770fb> - This article discusses the rapid advancement of generative AI technologies capable of composing music, summarising legal documents, and creating TV ads by training on human-generated content. It highlights the lack of legal frameworks governing AI's use of copyrighted material, which endangers both technological progress and the rights of original content creators. The UK government's recent consultation suggests allowing AI firms to use copyrighted work without consent unless creators opt out, a move fraught with issues. A more viable solution is promoting licensing markets, granting creators control over their intellectual property and ensuring fair compensation while providing AI models with quality data. Such a system would foster trust and incentivise creativity, paving the way for sustainable AI innovation.
3. <https://www.axios.com/2025/01/24/prorata-ai-plans-pay-creators-shoplifting-content> - ProRata AI, founded by Bill Gross, is committed to compensating creators and artists in an era where generative AI often uses their content without proper credit or payment. The company has partnered with over 400 publications under a 50/50 revenue share model, which involves analysing the AI-generated content to determine its sources and then sharing half of the revenue with the original creators. This move addresses widespread concerns about content ownership in the AI industry. Additionally, during discussions with Axios in Davos, Cohere CEO Aidan Gomez emphasised the importance of privacy, particularly focusing on enterprise solutions and private deployments. Qualcomm's Wassim Chourbaji highlighted privacy as a significant challenge when scaling AI technologies.
4. <https://time.com/6997876/uk-labour-ai-kyle-starmer/> - When the UK hosted the first AI Safety Summit in November, Prime Minister Rishi Sunak aimed to position the country as a leader in AI governance. Key initiatives included establishing the world's first AI Safety Institute and securing commitments from AI labs to share their models with governments before public release. However, after a landslide loss to the Labour Party, Sunak left office, and the new Prime Minister, Keir Starmer, plans to implement a tougher stance on AI regulation. Starmer appointed Peter Kyle as the new science and technology minister, who emphasises the personal significance of AI for advancing medical diagnostics. Labour's approach includes binding regulations on powerful AI models, banning explicit deepfakes, and compelling the release of test data by law. Labour aims for timely regulation, balancing innovation with safety and avoiding the pitfalls of outdated or hastily made policies. Additionally, Labour's pro-innovation strategy includes modernising public services and aiding the tech sector's growth while ensuring workers' rights are not overlooked in the process.
5. <https://www.ft.com/content/8c6bb732-2780-4b24-b9ff-30c2798ef66d> - A group of cross-party MPs in the UK has expressed concerns over the lack of robust regulations for artificial intelligence (AI) platforms in the creative industries, stating it benefits large tech companies at the expense of creators. A report published by the House of Commons culture, media, and sport committee highlighted the impact of digital distribution and AI on declining royalties for artists. The committee chair, Dame Caroline Dinenage, emphasised the need for updated copyright and intellectual property regulations to address these issues. Professionals in the creative sector are worried about AI platforms that can plagiarise and reproduce their work without compensation. Despite consultations with the Intellectual Property Office, a workable set of proposals for a code on training AI models using copyrighted material has not been agreed upon. The committee calls for mechanisms to ensure creators' consent and fair compensation when their work is used by AI systems. Additionally, it suggests a 'private copying scheme' to guarantee payments to creators for content shared on digital devices. The government intends to engage with stakeholders and set out further proposals in due course.
6. <https://time.com/6277158/writers-strike-ai-wga-screenwriting/> - The Writer's Guild of America (WGA) strike is currently addressing the consequences of artificial intelligence (AI) in Hollywood. During their last strike in 2007, the focus was on higher residual payments for streaming content. The rapid emergence of AI now poses new challenges, potentially transforming scriptwriting in movies and TV. The WGA seeks to regulate AI's use in creating and rewriting literary material to protect writers' jobs and creativity. The Alliance of Motion Picture and Television Producers (AMPTP) acknowledged the need for more discussions on AI but rejected the WGA’s proposal, opting for annual meetings on technological advancements instead. As AI becomes more commercialised, there are concerns that it could lead to job cuts or reduce creative work to mundane tasks. Various creative industries, such as SAG-AFTRA and Universal Music Group, have already raised intellectual property concerns related to AI. The WGA's actions may lead other industries, like journalism and graphic design, to address similar issues soon.
7. <https://www.ft.com/content/95e5d3e2-9d21-43ff-b4b0-e126da5483a2> - Outdated technology, poor-quality data, and a lack of digital skills will hinder the UK's efforts to boost public sector productivity through artificial intelligence, according to the House of Commons public accounts committee. Over 60% of government agencies cited access to quality data as a barrier to AI implementation, and 70% noted difficulties in recruiting skilled staff. Much of the data necessary for AI is tied up in obsolete 'legacy' systems, representing 30% of central government IT systems. Despite a government pledge for a digital centre aimed at revolutionising AI use, significant concerns remain about the UK's readiness for AI integration in the public sector. The committee highlighted the need for improved procurement processes, a market of AI suppliers to avoid costly vendor lock-ins, and enhanced ethical standards and transparency for AI adoption. The science department acknowledged these challenges and outlined plans to overhaul tech and AI use in the public sector, emphasising a potential £45 billion opportunity if executed effectively.