



CREATIVE INDUSTRIES

A Toolkit for
Cities and Regions

THE VISION

The creative industries are one of Britain's big success stories. Our music, film, TV, fashion, architecture, advertising, design and videogames industries are all amongst the world leaders in their fields. But while they may symbolise the global digital economy of the 21st century, the creative industries have one very traditional feature - their location matters. They grow from the particular assets of the city or neighbourhood in which they are located – its skills base, its heritage, its flexible workspace, its culture, its digital infrastructure. And, in turn, the creative industries contribute to that place's identity and image – think of the music scene in Liverpool, television in Manchester, digital media in Brighton, designer fashion in East London, videogames in Leamington Spa.

What's becoming clear is that city and regional authorities that think about and care about their creative sectors get rewarded in multiple forms. Creative industries offer a route to

sustainable and inclusive growth, making best use of underutilised assets and stimulating entrepreneurship. But for all their success, our creative industries could be doing better; they need and benefit from support. The typical creative business is a micro-company employing fewer than five people - they don't scale up easily; they often can't find affordable work space; they have difficulty accessing finance; they may not know how to break into new or international markets. Smart interventions by city leaders can make a big difference and, as we show in these pages, it's not just a one-way street – when local government helps the creative sector, the creative sector helps the city in return by bringing new jobs and pride to local communities.

Nicola Mendelsohn CBE, co-chair of Creative Industries Council

John Newbigin OBE, co-chair of Creative Industries Council Regions and Clusters Group

EXECUTIVE SUMMARY

Cultural and creative industries (CCI) are a huge untapped local resource, built up over decades and centuries. They define, and are defined by, the spirit of the place and the people from which they spring. This spirit, and the restless inventiveness of the people who make up the creative industries, is what will enable cities and regions to adapt and take on challenges of the future.

Every corner of the UK has a creative sector with its own distinctive structure and personality. The case studies in this document offer a snapshot of that variety. But not every place has yet fully appreciated and understood how it can benefit from their development. Over the last 30 years, some cities and regions have led the way - and started to show how strategic investments can yield huge economic, social and cultural

benefits to all members of the community - but this is just the start.

Devolution gives the Mayors of Combined Authorities and leaders of other local authorities a new opportunity to renew and invest, based on the energy and assets of their own communities rather than a mandate from national government. To succeed, leaders will have to inspire their own authorities to move from a narrow view of culture to a broad, cross-cutting 'place-based' approach - 'hard-wiring' CCIs to every aspect of local and regional policy making.

That requires vision and leadership, and calls for time and effort to be put into planning and real partnership working. This document highlights examples of success from across the UK to help make it happen.

Executive Summary continued.

Innovation and growth (pp.4-7)

Creative industries are a driver of economic growth in your city

Creative industries have been the fastest growing sector of the UK economy over the last two decades. They have grown at 6% per year, and now make up 5.2% of the UK economy, worth £84.1 billion per year.

Creative industries are thriving in every part of the UK

Two-thirds of new private sector investment in UK digital and creative businesses – £4.6 billion in 2015 – went to companies outside London and the South East. That's more than tech investment in France and Germany combined.

Creative clusters drive start-up growth

Driven by the success of MediaCityUK, 1,393 new companies launched in Salford between January and March 2017 – an 85% increase over the previous year, the fastest of any city in the UK.

Cities and universities can drive sector innovation and growth

Cities and universities across the country are working together to build local digital skills, retain graduates, increase investments in local creative sector R&D, strengthen local supply chains and provide measurable returns on investment in culture.

Local 'anchor institutions' play a vital role in defining post-industrial communities

Universities, along with other institutions – including theatres, sporting organisations, art galleries, specialist cinemas – can use their buildings and audiences to act as 'anchors' for cultural and creative development. These organisations have the capacity, knowledge and expertise to demonstrate leadership, take on projects and secure funding widely.

Jobs and skills (pp.8-11)

Creative industries are a major source of new, high value jobs

Recent research by Nesta identified 47 creative clusters across the UK in which creative employment grew by an average of 28% between 2007 and 2014.

Experience of culture can unlock other opportunities for young and diverse communities

In global markets, increasing cultural exchanges and taking advantage of young and diverse communities will be key to future

economic success. Cultural activity can help people explore and unlock a whole range of skills and opportunities in the creative sector and the wider economy.

Planning and infrastructure (pp.12-13)

Devolution allows for more strategic planning of creative infrastructure

Strategic and combined authorities can exploit flexibilities around planning. This guide includes examples of local and regional government working with creative organisations and social enterprises to explore alternative ways in which capital assets can be used to build successful and self-sustainable creative clusters.

Placemaking and promotion (pp.14-15)

Culture is a vital part of a successful visitor economy

8 out of every 10 foreign leisure travellers to London cite cultural attractions as one of the main reasons for their visit.

Culture is a vital part of building a city's international reputation

The success of Liverpool European City of Culture 2008 in bringing the city to the attention of millions of overseas leisure and business visitors has helped secure civic and popular support for, and business investment in, promotion of other cities of culture in Derry, Hull and across the UK.

City leadership (p.16-18)

City leaders are convenors

City leaders can bring together industry, education and social agencies. Devolution can help cities build their own identities through stronger links between creative industries and local communities.

Cities and regions can take the lead

City leaders don't need to get permission from national government – devolution gives metro, city and other local authorities the spur to develop plans for CCIs based on the energy, evidence and approaches coming from their local communities.

INNOVATION AND GROWTH

Creative industries have been the fastest growing sector of the UK economy over the last two decades. The benefits of that growth can be observed in every part of the country.

But one size does not fit all – different localities have different strengths – and the structure of a sector founded around micro-enterprises and project-based working continues to challenge conventional models of business support. Devolution is an opportunity to build on local strengths and strengthen the connections between creative industries and local anchor institutions – universities, colleges, schools, cultural organisations, banks, business organisations – in a way that reflects the assets and opportunities native to that place.

Clusters have been shown to have a marked effect on the productivity of businesses within them. So it is essential that city leaders gather evidence in a way that allows them to recognise existing clusters, that have distinctive strengths, and tailor support to emphasise the specific opportunities for jobs, growth and export that they bring to the place.

ANCHOR INSTITUTION

Watershed and Pervasive Media Studio, Bristol

Visual culture driving innovation

For more than ten years, Watershed, Bristol's specialist cinema, has used its status and visibility within the city and across the region to promote innovation and R&D.

Watershed is the driver of what has been called the 'visual culture' of Bristol, a city whose significant creative businesses include Aardman Animation and the BBC Natural History Unit. By making imaginative use of its buildings and assets and along with the collective capacity, knowledge and resource of partners from industry and academia across the region, it has helped to secure funding for research

Local 'anchor institutions' play a vital role in defining post-industrial communities

Universities, along with other institutions – including theatres, sporting organisations, art galleries, specialist cinemas – can use their buildings and access to audiences to act as 'anchors' for the development of culture and creative industries. These organisations have the capacity, knowledge and expertise to demonstrate leadership, take on projects and secure a wide range of funding in a way that local and metro authorities would be unable to.

and innovation, boosting the digital and creative industry across the West of England.

The Pervasive Media Studio, a collaboration between Watershed, University of Bristol and University of West of England, hosts a community of over 100 artists, creative entrepreneurs, technologists and academics exploring experience design and creative technology.

ANCHOR INSTITUTION

Manchester Metropolitan University Digital Innovation

MMU's Digital Innovation unit addresses subjects by theme, not by faculty – it goes beyond the knowledge exchange and knowledge transfer offers of individual university business development managers, and eases the point of entry to all the university's services.

Home to hackathons, student lectures, industry seminars and training, Digital Innovation's location in The Shed, a converted architecture studio, between the two universities on Oxford Road, makes it a 'neutral' point of contact between the two institutions and a space for academics, students and businesses to mingle.

The Shed is a space for exploration and discovery of issues that academics, industry and public sector partners from across the Manchester city region can tackle in a cross-disciplinary way, whether in healthcare, transport or education.

Although most of its users – both students and businesses – are in the creative industries, the presence of a 3D printing studio has attracted entrepreneurs from other sectors – like the healthcare company with a revolutionary design for low-cost prosthetic eyeballs.

A new £35m future media production institute is now being developed on the MMU campus to carry forward the work started in The Shed.

Creative industries have been the fastest growing sector of the UK economy over the last two decades:

For four years running the Creative Industries have grown as a proportion of the total UK GVA.

GVA of the Creative Industries increased by 8.9 per cent between 2013 and 2014.



This compares to 4.6 per cent for the whole of the UK.

GVA of the Creative Industries was

£84.1BN

IN 2014

BUSINESS SUPPORT

Growing creative clusters: developing corporate partnerships

Barclays Eagle Lab: Flight

Bigger companies from all sectors of the economy increasingly look to connect with smaller creative and digital businesses for new ideas and approaches. Corporate partners are often willing to support SMEs to develop and grow. And connecting with big companies through specialised business accelerator and support programmes can bring huge value to local SMEs.

The partnership between Barclays and Creative England, working together to provide a three-month residency within the Barclays Eagle Lab Flight accelerator programme in Brighton, has already shown the benefits that these partnership programmes can bring.

The programme works with seven companies to fulfil their scale-up potential. Over a 12-week development programme it provides investment, mentoring, creativity thought leadership and expert guidance, tailored to the needs of each participant. Barclays brings its own deep knowledge of the world of finance and entrepreneurship to deliver valuable masterclasses to the creative businesses.

Barclays Eagle Lab Flight culminates in a showcase event, with businesses pitching for additional finance to angel investors and fund managers invited by Barclays and Creative England.

Creative clusters drive start-up growth

Driven by the success of MediaCityUK, 1,393 new companies launched in Salford between January and March 2017 – an 85% increase over the previous year, the fastest of any city in the UK.

BUSINESS CASE STUDY

Creative technology in the courtroom

Saving public money through innovation

Manchester-based courtroom software specialist Evidential is a prime example of how creative companies can revolutionise other sectors with innovative content creation, in the process making significant savings for the public sector.

The company's software is used in court rooms across Europe to present complex evidence, clearly and concisely, to jurors. This includes ballistic analysis, 3D body mapping and forensic computer analysis. Evidential's creative approach within the Criminal Justice Sector

has led to winning international contracts with prestigious clients such as the United Nations. Its software offers potential savings of up to 33% of the costs of a trial, saving the taxpayer millions.

A £50k investment through Creative England's business loan programme has helped Evidential to develop a virtual reality tool for major incident planning for the Emergency Services training market.

Silicon Spa - a blueprint for growth

The West Midlands' Games Sector is a 21st century growth industry. Many of the best-known games titles in the world were created by a cluster of 2,500 games developers in 50+ games companies in and around Leamington Spa. The West Midlands' games industry generated an estimated £224 million in GVA in 2015 – of which £188 million was from the 'core' of fifty firms clustered around Leamington, Southam and Warwick.

Videogames are an example of 'digital manufacturing', requiring and developing a range of versatile 21st century skills. Making games is a fusion of art, design, programming, data analysis, science, maths – all skills transferable to other sectors. Developing games creates innovation in technology and tools for their manufacture – many of which also translate well into other sectors.

Games is a global and export-led industry. And the distinctive heritage and culture of 'Silicon Spa' has developed over more than two decades through a focus on quality and creativity. It is an outstanding example of developing regional economic growth through 'smart specialisation' in a sector with clear competitive advantages over its competitors in international markets.

While 'creative industries' is a useful generic term for the whole sector, the dynamics of different creative sectors vary enormously. In the case of Leamington Spa, this is very clearly the games industry.

Policy interventions add greatest value when they are accurately targeted at the specific needs and strengths of the local creative business cluster.

Pixel Toys, Leamington Spa

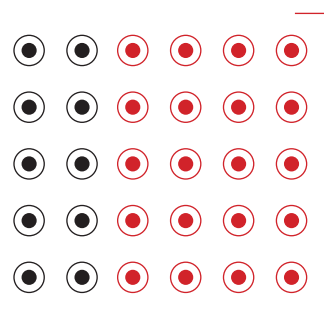
Pixel Toys saw revenues grow by 600% in its first year and a further 100% in its second year, assisted by early stage finance and business support from Creative England. 'Greenshoots', an investment partnership between Creative England and Microsoft provided £25,000 of initial investment with expert business and technical support from Microsoft. This led to Pixel's first game, 'Gunfinger' being an instant success with 500,000 downloads in its first week of release and a Top 100 position on the App store in more than 140 countries.

Follow-on investment through Creative England's regional Gameslab West Midlands programme helped Pixel Toys to accelerate development of its next game. Creative England was able to connect Pixel Toys to Apple, which led to the company's co-founder appearing on stage at the 2015 'Apple Special Event' to showcase "Warhammer 40,000: Freeblade" on Apple's latest iPhone. It was the only game to be featured throughout the whole conference.

The past year has seen Pixel Toys release its first VR game on Oculus Rift. The business, which started as a team of two, now employs over 35 people, and recently moved to bigger premises in the centre of Leamington Spa.

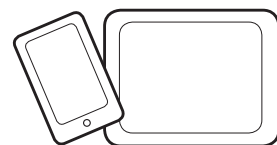
Tech Nation 2017 surveyed 30 UK tech clusters.

An investment success story



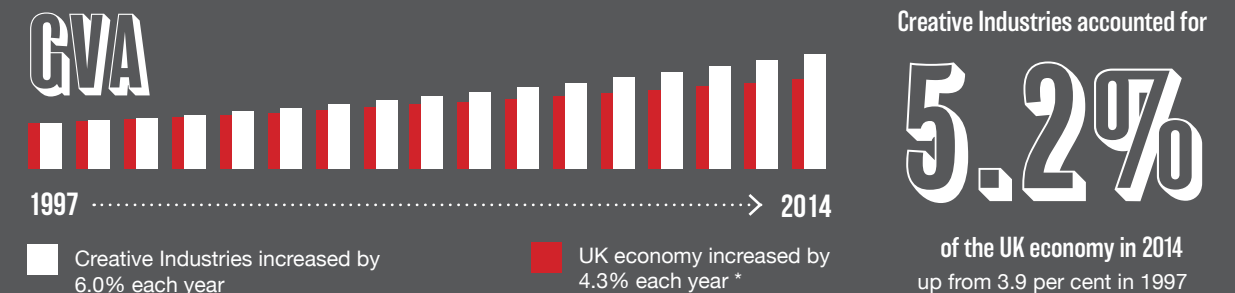
£££

It found two-thirds (over £4.6 billion) of tech investment was recorded outside of the capital.



That is more than 50% higher than investment outside of London in 2015. And higher than combined tech investment into France and Germany.

Creative Industries have been the fastest growing sector of the UK economy over the last two decades:



*Source: DCMS Creative Industries Estimates 2016

INCREASING EXPORT EARNINGS

Music is worth billions to UK cities

Hey, big spender

The UK's music industry makes over half its revenue from exports – well above the 30% average for the economy as a whole. Music exports earned £2.2bn in revenue in 2015, according to the latest figures published in Measuring Music, UK Music's annual study into the sector's economic impact.

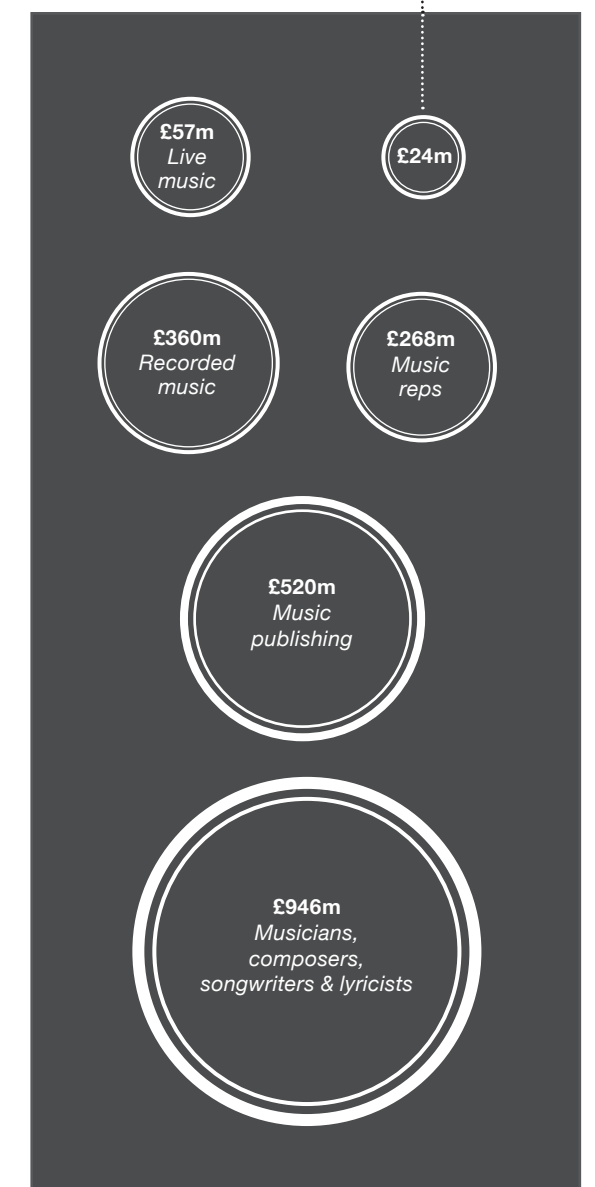
British recorded music continues to dominate charts all over the world. Five of the top 10 selling artists in the world last year are British, and 1 in 6 albums bought globally were by British talent. The global recognition and success of UK artists like Adele, Coldplay and Ed Sheeran helped UK music exports rise by 8.9% between 2014 and 2015. PRS for Music, the collecting society, reported an increase in international revenues of £195.6m in 2015, a growth of 10.4% on the year before.

Live music attracts hundreds of thousands of overseas visitors to the UK each year, bringing revenue directly into city and regional economies. More than 823,000 overseas tourists contributed to UK exports in 2016 by visiting the UK for live music events. Taking into account both international and domestic music tourists, as well as the full supply chain impacts of their spending, music tourism generated £4bn in revenue for the UK in 2016, with the benefit spread amongst cities across the UK.

- 154,000 music tourists generated £45 million in revenue in Brighton in 2015.
- 153,000 music tourists generated £35 million in revenue for Newcastle in 2015.
- 38,000 music tourists generated £28 million in revenue in Coventry in 2015.

UK Music Exports 2015

Music producers, recording studios and staff



Measuring Music 2016 (UK Music)

JOBS AND SKILLS

The creative industries are packed with highly skilled people – but the sector can never get enough of them. The opportunity is not going away – skills gaps and shortages are the single greatest threat to continuing growth in the sector – and engaging a more diverse workforce is the critical path to addressing this. This section highlights ways in which city leaders can work with education, national and local industry bodies and local cultural institutions to build pathways to employment to unlock the benefits of increasing diversity within the sector workforce. In the process, engagement with cultural activity has the potential to transform cultural leadership of the city region and increase entrepreneurialism, particularly amongst women, in ethnically diverse and marginal communities.

The presence of a skilled workforce has been proven to attract investment: cities that invest now to help build the creative workforce for 2030 and beyond will recoup the benefits of rising employment, increased GVA and higher levels of inward investment, creating a virtuous cycle of growth.



47 creative clusters grew their creative employment by 28% between 2007 and 2014.

PATHWAYS TO EMPLOYMENT

Creative Learning Partnership - West of England LEP

Making young people 'match fit' to take advantage of opportunities in creative industries

The creatives of 2030 will start primary school this September. Metro mayors will have a profound influence on whether the education and skills they receive will prepare children from across their city regions to access the opportunities they need.



RE:Present © Josh Swetnam

West of England LEP brought together creative practitioners and education professionals around a vision that: "Every creative/tech company in the Bristol and Bath region has a learner in the office".

The result was a model that goes beyond careers advice to provide practical experience of a creative working environment. This closes the gap between the people entering the workforce and the need of companies for "match-fit" people.

Programmes are delivered in different ways for different ages by university access departments for school-age children, and by Further Education and Higher Education employment teams for young adults. The LEP will have an increased role in 18+ provision, and will commit to it for at least 10 years, forming a team of brokers with different sector expertise.

In an increasingly competitive global market, we need an inclusive talent pool with the rich mix of skills which are vital for creativity, employability and productivity.

Seetha Kumar, CEO Creative Skillset

REGIONAL SECTOR SKILLS POLICY

Cultural Buzz

Action on skills boosts regional investment

A group of employers, universities, public sector stakeholders and cultural institutions have created a creative and digital skills action plan for the West Midlands.

The result is a collaborative and joined up approach to local university and research centre programmes. This has driven greater take up by SMEs of the region's business growth support, offering them access to finance, knowledge and ideas in one place. The programme has two main strands:

- Accelerating business skills for the creative and digital sector – with a focus on accessing finance, longer-term financial awareness and planning, leadership skills, understanding how content makes money, marketing and pitching; and attracting more diverse 'unseen' talent.
- Creative Core Skills for Young Talent – up to 1,000 young people attend a series of accredited one week 'boot camps', designed and delivered by industry professionals, offering work and pre-entry training in digital/ technical and general employability skills, linked to apprenticeships with employers.

Cultural Buzz has helped the West Midlands to highlight the region's strengths, driving inward investment from major industry players such as Asos, BBC, Codeworks and Ubisoft.

E-SPORTS

Digital Schoolhouse

Learning through play

The Digital Schoolhouse (DSH), backed by Sony, introduces school age pupils to coding through the medium of games. It 'teaches' essential skills for games, which are transferable into all other software and digital manufacturing sectors.

Schools from Cornwall to the North East, from Southend to Manchester, have signed up to the programme. DSH recently launched the UK's first inter-school eSports competition, which will see over 400 secondary and sixth form students from Digital Schoolhouses across the country competing in teams.



RE:Present © Josh Swetnam

IPA Creative Pioneers

How can you ensure that industry training and apprenticeship offers are taken up by 'hard-to-reach' young people?

The IPA (Institute of Practitioners in Advertising) Creative Pioneers scheme is already a great example of a sector recognising its own need to diversify its talent base, and acting on it. CP extends work and learning opportunities to young people in Bristol, Birmingham, London, Manchester and the North East.

In Manchester, additional City Council funding provided for pre-employability workshops with individuals from targeted, poorer wards. Local apprenticeship provider The White Room CIC ran a series of events and workshops with experienced industry mentors – between 2 days and 2 weeks in length – designed to allow young people at risk of exclusion to demonstrate their commitment. 80% of those who stayed the course got employment in the sector or went into further education – 16 in total.

Many young people don't know what they want to do. Work experience in the creative industries helps them think about other opportunities and unlocks the rest of the journey.

Helga Henry, Birmingham Hippodrome.

RE:Present

Experience of culture can unlock other opportunities for young and diverse communities

RE:Present engaged a new generation of leaders from within cultural organisations in Birmingham, and connected them with experienced creative industries mentors.

RE:Present was delivered by an experienced local cultural/creative practitioner, Lara Ratnaraja, and Helga Henry from Birmingham Hippodrome, in partnership with Aston, Birmingham and Birmingham City Universities, and was funded by Birmingham City Council and Arts Council England.

It exploited the very visible presence of the Hippodrome, a commercially self-sustaining theatre in the City Centre, to address inequalities in the arts and cultural sectors and to overcome prejudices about the relationship between 'mainstream' cultural institutions and neighbouring, excluded communities.

The diversity of the mentors and networks in RE:Present helped individual practitioners – particularly those approaching self-employment for the first time – address some of the fears and risks of being an entrepreneur.

And culture and creative industries activities can give participants self-confidence from power over what may be seen as 'small things'. This helps them gain leadership skills, leading to job opportunities in the creative and other industry sectors.

Cultural activity unlocks human potential

In global markets, increasing cultural exchanges and taking advantage of young and diverse communities will be key to future economic success. Skills gained through cultural activity can help people explore and unlock a whole range of opportunities in the creative sector and the wider economy.

Mind the (diversity) gap

Meeting the demand for new talent behind the camera

The British Film Institute Future Film Skills report, launched in June 2017, highlights a risk that the continuing success of film and TV production in the UK depends on identifying and progressing the development of new entrants to the sector:

- The screen industries may need anything between 10-25,000 new entrants by 2020 to address critical skills shortages and gaps.
- These challenges are particularly severe among smaller, independent productions.
- There is an urgent need to invest in the development of craft and technical skills to support the growth of thriving regional hubs for the screen industries.
- There is unmet demand for business skills (including marketing, negotiation, legal and finance) and management and leadership.
- The industry has a 'diversity gap' - women, disabled people and BAME communities are all underrepresented, and relatively underpaid.

Uncertainty about future freedom of movement for skilled technicians increases the urgency of the need to meet these shortfalls by growing the talent pipeline across the UK, rather than depending on the ability to fill gaps from overseas. The capacity of educational institutions in cities and regions across the UK, at all levels from secondary to post-graduate education, needs be harnessed now to building this future workforce in anticipation of the increased demand from both domestic and international production. This presents high-earning employment opportunities to people in cities the length and breadth of the UK.

City leaders can convene schools, colleges and universities, along with industry, to explore the potential to combine and augment existing provision to provide the 'World-class Centres of Excellence for screen-related Craft and Technical Skills' called for in the report's action plan. World class business education in places such as Warwick and Lancaster could provide hubs for the development of management capability identified in the research. And community-led organisations within cities, such as Birmingham's Flatpack Projects, recognised as an Arts Council England National Portfolio Organisation, could form an ideal base for the development of a mentoring service for new entrants and returnees that would optimise the regional supply of talent to the sector.

I know how vital it is to establish pathways that enable talented young people from the widest possible range of backgrounds to develop their skills and progress into our industry.

Eric Fellner CBE, Producer, Working Title Films & Chair of Into Film, a film education charity

It's inevitable at a time of booming inward investment in film and in television that the number of available and qualified crew will come under pressure. To stop this becoming a crisis... we need an expanded workforce with no reduction in quality.

Marc Samuelson, Producer & Executive Producer

PLANNING AND INFRASTRUCTURE

The last two decades have provided many examples of cities which have harnessed growth of creative industries to the repurposing of underutilised assets and buildings, leading to the regeneration of marginal areas. Krowji and Baltic Creative highlight the opportunity to go further, and to transfer the ownership of those assets to organisations working in the creative sector to provide them with an asset base that offers a platform for sustainable growth. The case studies demonstrate:

- How charities and community interest companies can build stable asset bases.
- The benefits of experimenting with alternative models to commercial development.
- How engagement with a creative community can move from creating workspace to transforming environments.
- Increasing graduate retention in local whole city districts.
- The role of strategic and combined authorities in aggregating assets and demand.

Infrastructure is about more than buildings, of course; and digital connectivity has become an essential supply to any business. But there is evidence that 'superfast' broadband will not meet the needs of high growth businesses. Our case study of BDX suggests an alternative path.



Schematic diagram of Phase 2 development of Baltic Creative

CREATIVE COMMUNITIES

Krowji

Creative clustering grows the value chain

Krowji is a creative cluster, a physical workspace in Redruth and the trading arm of Creative Kernow (CK).

Krowji – the name means 'shed' in Cornish – opened in 2005 in the premises of a former school. Creative tenants are attracted by the increased opportunity to trade with each other and leverage a wider creative value chain to reach new markets. Its success means that it can now attract higher rents than other commercial workspace nearby.

Ross Williams, Director of Creative Kernow, credits Cornwall becoming a unitary authority (in 2009) as the moment that established mutual recognition and a conduit for coordination of creative sector and local authority plans. Local members understood the importance of links between the creative sector and the visitor economy in growing alternative sources of employment to traditional land-based and heavy industries.

CREATIVE WORKSPACE

Baltic Creative - Liverpool

Trust the creative community to understand its own growth needs

Baltic Creative was created in 2009 when the Housing and Communities Agency handed a small estate of 18 semi-derelict warehouses south of Liverpool City Centre to a Community Interest Company. Most were unoccupied; of seven tenants, only three were creative industries businesses.

Over two phases of development, the CIC has transformed Baltic Creative into the heart of a vibrant cluster. It houses 120 creative and digital firms employing more than 500 people and has catalysed growth of a wider cluster of 500 creative businesses, other creative workspace, cafés, cultural venues and a University Technology College (with a creative industries specialism) in the Baltic Triangle district.

The CIC now has 120,000 square feet of offices and studios under management; and that rental income has given it sufficient covenant strength to get commercial mortgages on other property. It has recently refitted 3,500 sq ft of the neighbouring Cains Brewery Village as 'Northern Lights' – affordable studio space for artists.

Baltic Creative CIC Managing Director Mark Lawler has four key messages for city leaders thinking of developing new creative clusters:

- Don't let Councillors influence the choice of developers – they go to their 'contacts'.
- Once you have taken the investment decision, step back and don't interfere for a couple of years – but let people know you have supported it.
- Let the creative organisation embed itself in the creative community – don't mix messages.
- Leave the door open for re-engagement – when the trust/CIC is confident it has identified further demand, and that it can manage expansion, it will come back with proposals for further investment.

Developers' profits do not equate to benefit for the city

Mark Lawler, CEO, Baltic Creative CIC

DIGITAL INFRASTRUCTURE

Innovations in digital infrastructure – BDX

More than just broadband

Digital connectivity is now seen as an essential part of infrastructure for businesses of all sizes and in all sectors. But the nature of innovation in the digital and creative industries means that, as companies and clusters grow, access to 'superfast' broadband services will inevitably be superseded by the need for not only much faster and more resilient, fibre services, but also more access to other parts of the digital value chain to create new products and services.

The Brighton Digital Exchange (BDX) is an innovative approach to improving the digital infrastructure available to SMEs. At the heart of BDX is a cooperatively-owned and run data centre, where the member businesses – themselves all SMES – can 'peer' (bring together fibre connectivity from a range of providers) and collocate equipment; and from which they can co-operate and compete to provide services to Brighton businesses and the world.

BDX went live in July 2015. One of the immediate 'downstream' benefits is that the 90 small business units in New England House, occupied by digital and creative businesses and the Brighton Digital Catapult, all enjoy ultrafast fibre connectivity to their desktop at affordable rates.

The Digital Exchange (DX) model nurtures early stage digital businesses by providing access to server and network infrastructure normally only available to larger businesses with access to larger data centres or an Internet Exchange. This enables them to develop not only applications – websites, social media, mobile cloud-based apps – but also to design and operate industry-standard web services, content delivery networks and other higher value services. A DX also creates a competitive environment for carriers and transit providers. This can transform the availability and price of digital connectivity around it for the benefit of all businesses.

PLACEMAKING AND PROMOTION

Heritage, culture and creative industries play a critical role in redefining post-industrial communities and spaces, and in developing strategies to exploit the new economic opportunities that result. This section emphasises the importance of understanding heritage and culture, and using evidence of their impact to move away from short-termism and dependency on project-based funding.

Cities and metro authorities should not expect to lead this work, but to trust 'anchor' institutions, arts-led organisations and local communities to demonstrate leadership and to help build their capacity to take on projects in a way that local government would be unable to.

HERITAGE

Great Place Scheme

A new approach to cultural placemaking

Great Place is a new national programme developed and co-funded by Arts Council England (ACE) and Heritage Lottery Fund (HLF). It is designed to enable cultural and heritage organisations to work with each other, and with organisations in other sectors, in new ways to ensure that arts, culture and heritage contribute to achieving local objectives on jobs, economic performance, educational attainment, community cohesion and health and wellbeing.

Pilot schemes will run in 16 areas across England, eight places in Scotland and Wales respectively and up to four places in Northern Ireland. Types of project include:

- building arts and heritage into the provision of local education or health services;
- experimenting with new ways of financing cultural organisations;
- encouraging the use of existing powers that allow communities to support their local culture, such as the Community Right to Bid or listing local landmarks as Assets of Community Value; and
- developing of local strategies that maximise the community benefit that local arts and heritage can deliver.

HERITAGE

Heart of Glass

Artists, communities and rugby league

For more than a century St Helens was the centre of UK glass making and home to pioneering technological innovations of global significance. With the industry now gone, 'Heart of Glass' has helped forge a new identity for this post-industrial town. When St Helens came near the bottom of an Arts Council England (ACE) assessment of culture activity in English towns, the local rugby league club, with its international profile, led a consortium of community organisations and the local council to remedy the situation. The result was Heart of Glass: a three-year project funded by a £1.5m grant from ACE Creative People and Places.

It is now an organisation with £1.2m annual turnover and a ten-year plan. Its funding is confirmed until 2020 and it has a pipeline of applications up until 2022.

Heart of Glass demonstrates the need for an organisation 'on the ground' to help individuals access local authority assets and develop the creative possibilities of those spaces. But it sees potential for the incoming Combined Authority Mayor to raise awareness of this work so that organisations across the city region can activate other spaces.

Heart of Glass draws inspiration from St Helens Rugby League Football Club, its original project lead and host partner. For Patrick Cox, Director of Heart of Glass, the rugby club represents 'a real synergy between voluntary, professional and amateur becoming more than the sum of their parts – a holistic model for culture and creative industries.' The club has embedded local cultural values but operates on an international stage, providing an example of best practice. Its ground serves as a venue for screenings of Heart of Glass work for match day audiences of 18,000 people; it is utilised as a site and an opportunity to share knowledge.

Councils and banks haven't enough relationships to help drive unorthodox developments

Ross Williams, Director of Creative Kernow

SOCIAL VALUE ACCOUNTING

Measuring the value of culture

Driving change through data

Coventry City Council wanted to create an evidence based ten-year cultural strategy, both to support Coventry's bid to be City of Culture 2021 and to achieve other civic goals around social integration, economic growth, education and opportunities to improve the health and wellbeing of its citizens.

Jonathan Neelands at Warwick Business School led the research. The Warwick Commission report into 'The Future of Cultural Value' (2015) was an important milestone in using evidence-based research to measure the extent and social impacts of unequal access to culture.

Some of the primary research was provided by a City Council telephone survey of 2,500 households. This looked at 64 indicators to establish levels of participation in cultural events (including eating out and social interactions as well as arts events), physical activity (including dance), and which residents felt able to influence decision making to make changes in their neighbourhoods.

This kind of survey costs very little to carry out - about £40,000 every two years - and Prof Neelands makes the case that:

- Social value accounting will ensure that cities focus investment in culture where it will achieve the greatest impact, both in economic value and allocating resource to things that matter most to people in the community.
- Using an SROI (social return on investment) model will increase cultural partners' chances to benefit from charitable trusts and philanthropic giving. It makes donors – particularly younger entrepreneurs who are developing their portfolio of philanthropic giving - more likely to donate.

FILM AND TV TOURISM

The Broadchurch effect



More than meets the eye

An independent review commissioned by Visit England and Creative England in 2014 calculated that 'screen tourism' was worth £140m to local economies. For example, Harry Potter films brought £4.3m of benefit to Alnwick in Northumberland; Bampton benefitted by £2.7m from 'Downton Abbey'; and West Bay (above) benefitted by over £1m from 'Broadchurch'.

CITY LEADERSHIP

Place-based strategies are the future for the creative industries. However, city leaders have many calls on their time, and should not be expected to be across the detail of every industrial sector. The good news is that city leaders can be most effective in supporting the growth of creative industries by acting as convenors – ‘leading from the back’, bringing partners together from across the public and private sectors and building capacity in other organisations rather than presenting themselves as the voice of the industry. This section looks at ways of bringing the different – and often disparate – parts of the creative sector together in effective partnerships. Helping the sector speak with one voice – for instance, by agreeing a sector ‘champion’ to represent the views of the city’s creative and cultural organisations in wider forums – can have both a symbolic and practical effect, raising the city region’s profile in discussions about investment with both government and private sector bodies.

And devolution offers further potential for the public sector to explore innovative ways in which it can use its own procurement to support the growth of local creative businesses.

Finally, we throw down the challenge of sustainable growth. Plans for growth that ignore this are bound to fail. Here, the creative sector has taken the lead in looking at ways to engage supply chains, technology and communities in new economic models.



RE:Present © Josh Swetnam

CREATIVE SECTOR PARTNERSHIPS

Creative Fuse North East

Building on existing structures and knowledge

The Creative Fuse North East is a £3m research partnership between all five North East Universities. It explores how the creative, digital and IT sectors can be better developed to boost the North East economy as a whole, through:

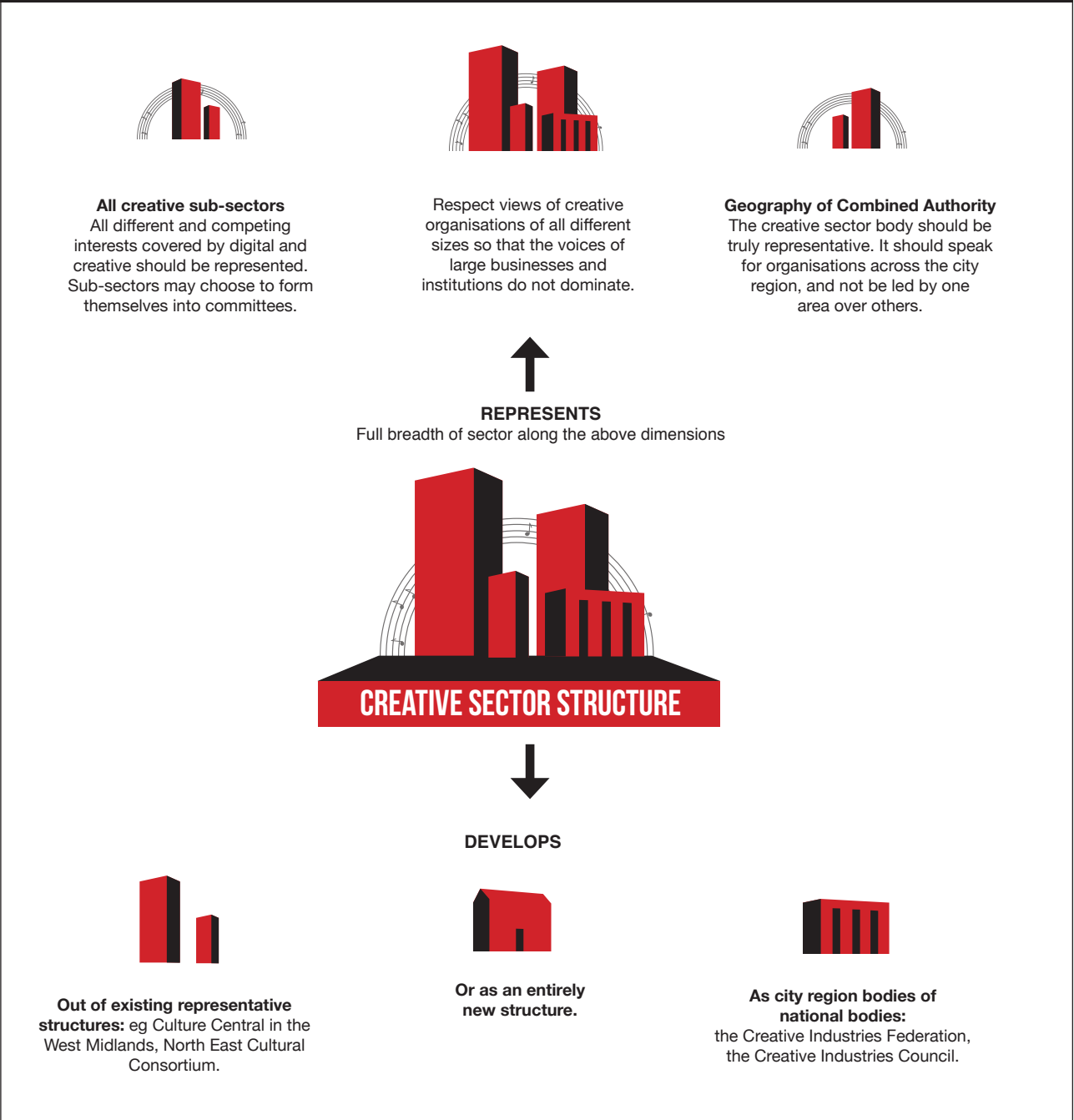
- Mapping of companies, skills, knowledge, and available creative business support
- Identifying ways to make better use of combined resources.
- Establishing best practice in skills training and creative workforce development.
- Highlighting ways in which the region’s universities can better support the creative sector.

The success of the universities’ bid for funding for Creative Fuse NE was founded on the strength of existing regional structures.

The North East Culture Partnership (NECP) had already framed the ‘Case for Culture’ (C4C, a 15-year investment strategy for arts and heritage). NECP had established a CCI sub-committee structure that offered a single point of contact for the cultural and creative sector with local authorities and LEAs in the North East.

Creative Fuse also brought experience and knowledge to the region: Dr Jonathan Sapsed, Professor of Innovation and Entrepreneurship at University of Newcastle, was Academic Director of the original Brighton Fuse, which provided the proof of concept for Creative-Digital-IT fusion as a driver of business growth and innovation.

NURTURING EFFECTIVE CREATIVE SECTOR STRUCTURES



Champions

Advocate within the cultural and creative industries sector for more investment in their city region.

Represent their city region in Whitehall, lobbying for more investment and linking city regions to central government.

For example, the government’s industrial strategy states: “The Cabinet Office is reviewing the location of government agencies and cultural institutions and will consider relocating them where they could help reinforce local clusters and support private sector growth.”

Can help provide evidence that the relocation of a cultural institution will benefit both central government and the city region.

Oversee sector funding and inward investment coming into the city region.

Preston City Council and CLES

Social value procurement

Since April 2015, the Centre for Local Economic Strategies (CLES) has worked with Preston City Council and twelve 'anchor institutions' in the city and across Lancashire to look at how switching spend to local suppliers could increase the social value of their procurement.

The anchor institutions – including the City and Lancashire County Councils, Lancashire Constabulary and University of Central Lancashire – have a collective annual procurement spend of over £1 billion with their top 300 suppliers.

Analysis of the scheme revealed immediate benefit to parts of the creative sector, including print, press and publicity, where several organisations had tended to procure those services from London.

CLES and the City Council have identified scope to influence an additional 40-50 per cent of all spend in sectors where there are no, or limited, local supply chains. This involves setting up 'gap coops' to supply those needs, following a model developed in Cleveland, Ohio.

Arts & Cultural Commissioning Toolkit

Opening access to public service contracts

Kent County Council Arts and Culture Service worked with Artsworld (a national youth arts development agency) and Royal Opera House Bridge to create a commissioning process that would give arts and cultural organisations opportunity to bid for public service contracts.

The toolkit's development was funded by Arts Council England and it is freely available to commissioners across the UK. It provides cultural organisations with advice and guidance on how to prepare for, respond to tenders for, deliver and plan for evaluation of public service contracts.

Kent County Council Public Health used the toolkit to commission six cultural providers to work with vulnerable young people in particular targeted areas of the County, using creative interventions and festivals to help them learn behaviours that would increase their wellbeing.

CITIES, CULTURE CHANGE AND CLIMATE CHANGE

If we can't sustain it, why are we doing it?

After the Paris Agreement of 2015, cities are leading the fight against climate change, with the capacity to deliver 40% of the savings in emissions. Culture is a powerful way of engaging citizens in the most urgent and pressing problem of our time.

City governments and city leaders can provide the leadership and the policy frameworks to bring myriad activities and actors in the cultural and creative sectors together.

Manchester City Council has one of the most developed and ambitious climate strategies in the UK, with a commitment 'to become a zero-carbon city by 2050'. Cultural organisations have been working together as part of the city's strategy under the banner of the Manchester Art Sustainability Team (MAST) since 2011.

This network has collectively achieved great progress towards the city's carbon reduction target, whilst positively contributing to Manchester's ecology, resilience and creative economy.

CREDIT

This toolkit has been produced by the KTN with the generous support of the CIC, Innovate UK, Creative England and BOP Consulting.

KTN is the UK's innovation network. We connect businesses, value chains, entrepreneurs, innovators and investors, helping you to identify and develop the ideas, expertise and technologies which have the potential to be world-beating products, processes and services.

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Specialist trade bodies and public agencies provide data, analysis, networks and expert insight into every part of the creative industries including film, television, music, videogames, fashion, design, advertising, publishing, performance and visual arts. Resources in this publication have been provided by:

The **Creative Industries Council**: a joint industry/government forum chaired jointly by 2 senior Ministers, the Secretaries of State for BEIS and DCMS, and an industry representative, Nicola Mendelsohn, CEO of Facebook Europe.

The **Creative Industries Federation**: the UK-wide trade body and lobbying organisation for the creative sector

Creative England provides specialist support and investment for creative content businesses, mainly in film, TV, games and digital tech, across England, but mainly outside London and the SE.

Creative Skillset works with the UK's screen-based industries to develop accredited skills and talent at every level.

Creative & Cultural Skills gives young people, and others, opportunities to work and learn in the creative industries across the UK. It also operates the National Skills Academy for creative and cultural skills.

Nesta is an independent charity providing high-quality research, data and analysis for the whole creative sector.

BOP Consulting is an international consultancy specialising in culture and the creative economy.

The background is a solid red color. Overlaid on this are several white lines that form a series of interconnected, irregular polygons. Some of these shapes are solid white outlines, while others are defined by dashed white lines. The lines vary in thickness and orientation, creating a complex, architectural feel. The overall composition is minimalist and modern.

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