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# North Staffordshire Creative Industry Strategy and Development Programme

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## INTRODUCTION

It is widely recognised that the Creative Economy is a major driver for economic development and sustainable regeneration<sup>1</sup>. Culture, Creativity, Knowledge and Innovation will increasingly drive the economy of the 21<sup>st</sup> century. This strategy picks up on the work of the Work Foundation and demonstrates that North Staffordshire has a real opportunity to develop its creative economy over the long-term so that the Creative Industries become an engine for economic growth and prosperity, a key driver for sustainable regeneration and a catalyst for wider cultural change.

Creativity lies at the heart of the North Staffordshire economy. In the past this has seen cottage industries in ceramics, design and textiles grow to become global brands. These developed to become major industries and a source of significant wealth creation. Until recently North Staffordshire has been at the cutting edge of the UK creative economy, producing talent and creative goods of global significance and real excellence. Recapturing this position and developing new narratives for the region will not be easy but we believe that the conditions can be put in place for this to happen and for the creative economy to become a vital element of the economic regeneration of the region.

Creative Industries are innovative and a key component of the Knowledge Economy. Technology has an increasingly important role to play in the production, distribution and consumption of creative goods and services. It also impacts upon the governance of the sector and delivery of support services to industry.

Digital media is increasingly important to the mainstream economy and it is through the production and distribution of new content that the digital media industry is being driven. Connection of digital content producers to key markets and buyers in the UK and overseas will be critical to the ongoing success of the region.

Structured and informed investment in the creative economy over the short, medium and long term will accelerate the process necessary for the region to regain ground lost over decades of decline and under-investment. North Staffs can learn from other regions and be smarter about its investment decisions. It should not indulge in tired solutions for yesterday's challenges. It should embrace new tools and opportunities that will enhance the creative economy of the 21<sup>st</sup> Century.

Achieving this however will not be easy and will not happen over night. There needs to be consolidation and rationalisation of investment before there can be growth, widening economic prosperity and improved GVA.

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<sup>1</sup> O'Connor M, J. 2005. Creative Industries and Regeneration. RENEW. Florida, R. 2005. The Rise of the Creative Class.

## EXECUTIVE SUMMARY

This is a 'borderless' strategy that aims to overcome political and geographic obstacles and better reflect the market for creative goods and services in the UK and global markets. New regional structures and delivery priorities are now embedded and there is a real opportunity to take a strategic and innovative approach to sector development in North Staffordshire. Each local authority will need to continue to support CIs in both urban and rural areas but they also need to act collectively through NSRP if real change is to be delivered.

North Staffordshire may be ten years behind some other regions but it will not take ten years to catch up and establish an enterprise support infrastructure fit for 21<sup>st</sup> Century industry growth.

The vision for the region is that North Staffordshire is that it becomes a **Centre for Creative Excellence**. Based around inward investment and indigenous growth this is an ambitious strategy designed encourage aspiration and ambition across industry, education and the public sector. If these ambitions are to be realised, it demands new ways of working, new collaborations, and outcome driven partnerships.

The strategy is built upon four key investment principles. It recommends smart, structured long-term investment into **Creative People, Creative Enterprise, Creative Places** and **Creative Technologies**. This will drive sustainable economic regeneration and maximise the returns on investment for both the public and private sector.

To deliver effective investment and to maximise the return on that investment the Strategy has focussed on six themes.

### **Theme 1. Coordination, Collaboration and Leadership**

It is widely acknowledged that there has been successive lack of collective leadership in North Staffordshire. Now that local and regional political re-ordering has been embedded, and key positions filled by personnel who understand the sector, this leadership must emerge. To address this, the Strategy and development programme recommend **Creative Collaborations** - a high-level partnership agreement between regional Creative Industries Steering Group and the NSRP to focus on long-term economic and cultural growth in North Staffordshire and the wider region. Building on good existing relationships a more strategic partnership will focus resources and decision making to ensure better accountability and a greater return on public sector investment. The adoption of this Strategy would establish a positive start to this new accord. Over-time North Staffordshire can help the West Midlands become a more competitive region in both UK and global markets.

Local coordination, collaboration and leadership will be maintained by the continuation of the **North Staffs Creative Economy Forum (NSCEF)**. This group of predominantly private sector stakeholders, with representation from key public sector agencies and education, should guide and inform delivery of the strategy locally. The Enterprise and Innovation Group of the NSRP should be represented on the group to ensure joined up working.

A **Creative Industry Champion** will enable this forum. This short-term appointment will also act as an advocate for the sector, drive, coordinate and deliver the short-term actions from the strategy and link back to other key groups in the NSRP. The NSCEF and Champion will guide the development of an effective creative enterprise infrastructure.

## **Theme 2. Creative Enterprise Development Infrastructure**

Unlike other city regions North Staffordshire does not have a dedicated resource for enterprise development for the creative industries. The industry therefore has lacked specialist support, profile, investment and impact.

We recommend the investment in a **Creative Industry Partnership (CIP)** that, through its partners will lead on Advocacy, Coordination and referrals to a variety of effective business support initiatives. The Partnership should be established as a Community Interest Company (CIC) with selected assets transferred from local authority and other public sector control, into the CIC. This will provide a key element for sustainability, independence and continued delivery of the Strategy and Development Plan. Key partners will be NSRP, Business Link WM, ACE, LSC and Staffordshire University. This Industry 'first stop shop' will provide simple industry access to a range of partner services. These include business support, information and intelligence, communications, network development, skills development and training, access to finance and market development initiatives. The CIP should also lead on the establishment of a Knowledge Transfer Network (KTN) to link the Creative Industries with other innovative sectors, with the research base in the region and across the UK.

## **Theme 3. Education**

Skills and education are central to the Knowledge Economy. Educational establishments need to stimulate aspiration and ambition across the community and industry. Working with industry, a **ladder of opportunity** should be enabled by the regions schools, informal learning sector, FE and HE community. NSRP and other organisations across North Staffordshire have made significant headway in their engagement with schools to encourage an ongoing enterprise culture.

This work needs to be embedded in the investment programmes of the future. In a rapidly expanding market, the Creative Industries can offer real and relevant business opportunities for young people. **Creative Partnerships** Stoke on Trent has recently received confirmation of increased funding for 2008-2011, and is extending its programme to work with a greater number of schools in Stoke; to carry out pilot work in Staffordshire; and to develop work outside of the formal education sector. This should open up new partnership opportunities relating to creative skills and improved prospects for young people in North Staffordshire. There should be stronger support for the **Creative Academy** also provides opportunities for young people who have fallen out of the formal education system. The CIP should work shoulder to shoulder with NSRP to develop a range of opportunities – live briefs, placements, enterprise skills, learning journeys – for the next generation of creative entrepreneurs.

Both **Staffordshire and Keele Universities** are major attractors of talent and investment into the region and Staffordshire University (SU) are implementing a number of programmes to both enhance the learning experience and to engage with the enterprise base. SU have developed a range of interventions that have encouraged employer engagement and these are beginning to make a real impact upon course content and graduate retention. In a dynamic industry competing in a global market these need to be constantly renewed and updated to meet new and emerging skills needs.

Both SU and Keele have a critical role to play in the development of the creative economy in the region and there should be more collaboration between them. Staffordshire University will be a vital partner for the CIP.

The CIP should work shoulder to shoulder with the Universities and FE Colleges to raise standards and develop a wide range of opportunities for students, and graduates in the region – live briefs, distance learning, placements, enterprise skills, learning journeys, Technology Assisted Learning (TAL) – for the next generation of creative entrepreneurs.

The new **University Quarter** will have a significant impact upon the regeneration of the area around the station, city centre and Hanley Park. New but separate facilities for Media and Performing Arts can become a real asset for the region but more so if they were consolidated in one building. One building for Media and Performing Arts would converge their research, teaching and enterprise training; this in turn would better reflect the needs of students and industry in a rapidly changing market. The University should consider how convergence of technologies, practice and markets is reflected in the delivery of new facilities. A one building solution is strongly recommended.

#### **Theme 4. Regeneration Physical Development**

It is widely recognised that culture and creative industries add value to physical regeneration and economic development<sup>2</sup>. From New York to Paris, Glasgow, Manchester, Birmingham and Derby, consolidation of creative industry activity around urban centres adds life, dynamism and increases land values. This is especially relevant to North Staffordshire where falling land values sometime make development uneconomic.

**There exists a Creative Arc between** Burslem, City Centre and Longton and Newcastle. In and between these hubs there is a critical mass of workspace, infrastructure and industry activity. These hubs need to be linked through on and off line activity - Events, Networks, and collaborative projects. The development of this arc will bring opportunities for the whole region. By developing these hubs, Market Towns and rural enterprises can then better connect to services, networks, facilities and markets.

In the medium to long-term partners must ensure that there is a provision of appropriate workspace for the growth of the creative and digital industries. This should be driven by demand and not the supply of inappropriate or the peg solutions. The region needs to provide a **ladder of accommodation** for the sector. This needs to include incubation and start-up space to grow-on accommodation that creative enterprises have an option to buy. To ensure this, partners must engage with developers and anticipate growth and demand from the sector. Local Authorities should encourage the **asset transfer** of unused buildings and provide support to collective initiatives that enable the industry themselves to become stakeholders in the regeneration process.

The **Cultural Quarter** should become a space for cultural consumption and production. Building on successes on its periphery – The Regent Theatre, Victoria Hall, The Sugar Mill, 4 Broad Street, The Mitchell Memorial Youth Arts Centre, the Underground and the other creative industries organisations based in the area. The Potteries Museum and Art Gallery houses one of the countries finest Ceramics collections and this asset should be exploited to the full with ambitious programming, extended opening times and making stronger links to the creative industry sector. There are also significant opportunities to enhance consumption in the cultural quarter by utilising existing, vacant and businesses premises in Broad Street and Piccadilly. Creative business should be

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<sup>2</sup> O'Connor, M. J. (Ibid.). Creative Economy. Staying Ahead: the economic performance of the Creative Industries. Work Foundation/DCMS. 2006

incentivised to take up occupancy, animate shop fronts and add a sense of dynamism and vibrancy to the area. This would raise the profile of the sector and the area, develop new markets, enhance and diversify the current retail offer. The Museum Square should be ambitiously themed as a **Space for Innovation in Visual Culture**. This space should be linked to and focus of a new Strategy for 24/7 Art in the Environment. This will provide an ever-changing space for experimentation, innovation and performance of digital visual culture. A space that will capture the imagination of residents and tourists and that can generate a level of interest to define a new, dynamic space for the city centre

NSRP should use Planning Gain to establish a **Creative Dividend**. Research and development of an innovative Section 106 agreement based on best practise from around the UK will provide a cultural/digital dividend for flexible investment in sector in the long-term. This could help fund future developments around high bandwidth connectivity, the provision of affordable workspace or to part-fund excellent art in the environment.

#### **Theme 5. Place Making and Talent Retention**

Using a range of tools over the medium to long-term the Creative Industries sector can help reposition North Staffordshire as a **Centre for Creative Excellence**. Improving and building a positive image locally, regionally and nationally will help attract new talent and business to the area.

The development of a growing market for creative goods and services combined with effective enterprise support ecology will help; as will an improved built environment and more vibrant cultural offer. Over time this can combine to develop a new sense of place and new narratives of success in and around the creative economy.

To begin a process that will take some time we suggest the implementation of three initiatives. **Creative Heroes** will develop cross media narratives of North Staffs creative entrepreneurs from the past present and into the future. The films can be used as educational tools, business inspiration and place marketing.

Working with Screen WM partners should establish a **North Staffs Locations Service**, image bank and intelligence service for film and TV companies wishing to work in North Staffs.

This and the information service should be wrapped up in **an on-line Creative Industries Showcase** where the excellence in the region can be showcased and connected to the world.

An annual or Bi-Annual **Festival of Design** should grow out of the Ceramics festival. Design is broader and more in tune with the knowledge economy than a narrow focus on Ceramics. It could include design from ceramics, to architecture, visual art, street

furniture to graphic and product design. Projects that use the creative talents of the sector to engage broader communities in the regeneration agenda such as Place, Space and Identity should continue to be supported

### **Theme 6. Innovation and Future Proofing**

Elements of this Strategy point to and could be enhanced by a **Cultural Masterplan** for North Staffordshire. This would provide long-term enhancement of the wider Cultural offer and provide rationalised delivery of cultural services that are fit for purpose for the 21<sup>st</sup> Century.

To sustain market growth and engagement of Next Generation cultural producers and consumers, partners need to engage in a systematic programme of cultural literacy from 12 Yr upwards. North Staffordshire could be the first city-region in England to guarantee free access to a cultural venue, event, or other form of participation each term. **NSRP Cultural Passport** should be made available to for all kids between the ages of 10-16 in North Staffordshire. The recent launch of the government's aspiration for a 'cultural offer' to children and young people, which will enable them to participate in five hours of cultural activity a week, could provide an opportunity for the Cultural Passport to be aligned with North Staffordshire's eventual delivery of the offer.

For young people under the age of 24, individuals, schools and community groups should be encouraged to participate in the national **On-Line NOISE Festival**.

NSCEF and others should undertake at least 3 **Learning Journeys** each year if they are to maintain their knowledge and understanding of successful interventions into the sector. These should focus on Regeneration, Enterprise support, Infrastructure, Information, Communications and market development.

With the CIP and NSRP, the Universities should, over time, join forces to establish a **Knowledge Transfer Network** (KTN) for the Creative and Digital Industries. North Staffordshire could be the first City to develop a regional hub for new Government Knowledge Transfer Network. Open source technology provides space for knowledge exchange and commercialisation for technology, digital and creative business.

These and other, more fine grained interventions form a framework for the accelerated economic development of the Creative and Digital sector in the region. This programme is adaptive and will accommodate changes in the market and regional priorities but provides a once in a lifetime opportunity to transform the sector, the city and the region.

## 1.0 BACKGROUND TO THE REPORT

There are over 140,000 firms in the UK Creative Industries with around 200 of these firms making up almost 50% of Creative Industry turnover. Creative Industries make a significant contribution to the UK economy and this is increasing over time. In 2004, the Creative Industries accounted for 7.3% of total UK Gross Value Added (GVA). Creative Industry GVA grew by an average of 5% per annum between 1997 and 2004, compared with the UK average of 3% for the same period.<sup>3</sup> However, this has not been reflected locally where both the mainstream and creative economy have declined significantly over the past 10 years.

Creativity lies at the heart of the North Staffordshire economy. In the past this has seen cottage industries in ceramics, design and textiles grow to become global brands and mass employers. These developed to become major industries and a source of significant wealth creation. Until recently North Staffordshire has been at the cutting edge of the UK creative economy, producing talent and creative goods of global significance and real excellence. Recapturing this position and developing new narratives for the region will not be easy but we believe that the conditions can be put in place for this to happen and for the creative economy to become a vital element of the economic regeneration of the region.

The Creative and Digital Industries in North Staffordshire have suffered from a lack of smart, sustained, long-term support. Investment into the sector from both public and private sectors has significantly under performed that of similar regions. Growth in the sector has been hampered by a series of false dawns and lack of collective leadership across the region.

The formation of the North Staffordshire Regeneration Partnership provides a renewed opportunity to accelerate economic growth in the Creative and Digital Industries in the region and for that sector to, in turn, enhance a sustainable and dynamic regeneration programme.

Acting on behalf of the newly formed North Staffordshire Regeneration Partnership, the Cultural Development Team from Stoke-on-Trent City Council recognised that there are significant barriers to growth for creative enterprises in the region and that a strategic framework for the long-term development of the sector is required. The aim of the Strategy is to provide an effective ecology for economic growth across the creative industries. Effective delivery of the recommendations in this strategy should mean that, over time, North Staffordshire will become a natural home for

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<sup>3</sup> Creative Industry Performance Report for the DCMS | Frontier Economics September 2007

creative enterprise and the creative sector will become an engine for wider regional regeneration.

In August 2007, Burns Collett was commissioned to produce this Creative Industry Strategy and Development Programme following a public tendering process.

The North Staffs Regeneration Partnership and local authorities have identified Creative Industries as one of its main development areas, have prioritised funding and developed a programme of pilot interventions to support the sector. The objective of this study is to undertake research in order to produce and Creative Industry Development Strategy and Development Programme.

These, and other regional partners, also recognise that there are still some significant barriers to growth. These include lack of intelligence on the current sector; a lack of profile and advocacy for the sector; a lack of bespoke or appropriate support for the sector; a lack of awareness within the sector of the support available; a lack of workspace and therefore visibility of the sector; a lack of dialogue and communication between enterprises and artists in the sector and, crucially, a lack of graduate retention in the city.

All this points towards an opportunity to produce an innovative, evidence-based Creative Industry Strategy based firmly around the needs of creative enterprises, regeneration and an economic growth agenda. At the same time it was felt that there are valuable lessons to be learned from the experience of other city regions that have successfully leveraged culture and creative industries to drive sustainable regeneration and economic growth.

The Creative Industry Strategy is clearly aligned with the objectives of the Regeneration Partnership and the opportunities that region wide regeneration will afford the sector. As with the regeneration programme, the Creative Industry Strategy will need to add value to the whole of North Staffordshire and the wider West Midlands region.

North Staffordshire is emerging from a period of significant economic decline. Reduction in employment in the wider economy has been reflected in the creative economy. This downward trend has taken place in all three Local Authority areas. However, the greatest change takes place in Stoke on Trent with Newcastle and Staffs Moorlands showing stabilisation and a small amount of growth between 2005 and 2006. The strategy and development programme have been designed to arrest that decline and build the foundations of a stronger economy going forward. No regional economy can grow effectively without a strong creative economy. Creative goods and services together with creative and risk taking entrepreneurs are an essential ingredient for growth in the manufacturing, service and knowledge economy.

Like elsewhere in the UK, creative industries in North Staffordshire will cluster around urban centres but there is a good distribution of creative producers across Newcastle, Staffordshire Moorlands and Stoke-on-Trent. Interventions in this strategy are borderless and designed to coalesce this distributed industry base and to grow companies across the region. Effective return on investment will come from the aggregation of demand for creative goods and services, business support and market development around urban centres and market towns.

## 2.0 STRATEGIC CONTEXT

North Staffordshire is part of a successful and growing regional economy. Opportunities do not only lie in North Staffordshire but right across the region and beyond. The West Midlands **Regional Economic Strategy** outlines a vision for the economic, social and cultural development of the region. Without strong and continued investment in Culture, any economic and social gains will be less effective and sustainable. The **Creative Industry Steering Group** brings together regional stakeholders to coordinate CI investment activity across the region and will be crucial to the delivery of this Strategy and Development Programme. It is important to remember that all the opportunities for growth may not be in North Staffordshire but that you don't have to leave North Staffordshire to take advantage of those opportunities.

**North Staffordshire Regeneration Framework** will be a major driver for the economic success of the region and the creative industries sector. The work undertaken by the Work Foundation on the draft strategy indicates measures necessary for a holistic and ambitious investment programme geared towards sustainable economic growth and regeneration. It has identified a number of opportunities for strategic investment and central to these are those around creative industries and cultural production and consumption. We pick up the key themes of Business Enterprise, Creativity and Innovation and outline a development framework that will accelerate sustainable growth.

The **Regional Cultural Strategy** emphasises many of the benefits of the sector to the region: the development of place, skills, diversity and tolerance are central to the future of the region and North Staffordshire has an opportunity to be better engaged going forward. We take up some of the issues highlighted here and articulate them in terms of recommendations that will have a significant impact upon the long-term economic performance of North Staffordshire.

The Governments **Creative Economy Programme** has recently set out a framework for the development of the UK's cultural and creative industries. The strategy for North Staffordshire picks up some of these key initiatives and articulates a set of actions to link North Staffordshire to national and international platforms and marketplaces.

The UK government, through the Technology Strategy Board is about to launch a national **Knowledge Transfer Network** for the Creative and Digital Industries. Designed to overcome barriers between CDI sectors and other innovation rich sectors, the KTN will provide on and off-line resources for knowledge transfer and the commercialisation of Intellectual Property. With its track record of innovation, design, education and research, North Staffordshire can establish its own KTN to connect the creative sector with other innovative sectors and companies in the region and across the UK.

Culture and creative industries can help **North Staffs Regeneration Partnership** deliver on all aspects of its Strategy. The creative talents of the region's architects and designers should be utilised in the strategies for housing growth. The sector itself is a significant source of employment especially for hard to reach communities. Cultural production, participation and cultural consumption enhance the quality of life and produce wider benefits for all. For more than 20 years in regions across the UK and overseas, it has been shown that smart, culture led economic development based on the fine grained activities of creative enterprise will lead to sustainable regional growth. The challenge now is to do it here.

### **Creative Industries and Regeneration**

Creativity and innovation are no longer useful add-ons; they are what drive the national and global economy. The ability to produce and attract creative people and industries will be a vital component of economic competitiveness in the next decades. Moreover, as our society gets more complex, our need for a creative approach in fields ranging from urban and rural regeneration and modern manufacturing, education to crime reduction or the enhancement of built environment has never been more evident.

The creative and cultural industries are part of the wider knowledge economy, where competitive advantage is based on talent, innovation and knowledge creation. Across North Staffordshire, whether in commercial centres, rural districts and market towns, the Creative and Cultural Industries (CCI's) will be critical to the development of the Knowledge Economy in the region.

**North Staffordshire Digital Strategy** needs to be completed and its aims and objectives delivered. Creative Industry Hubs can drive utilisation and uptake of digital technologies and broadband. The Dark Fibre network across Stoke-on-Trent could be a real asset to the region if better access to it could be manufactured. It could link regional centres and connect those centres to the global market.

### **The Knowledge Economy**

University of Keele and Staffordshire University will play an increasingly important role in the attraction and retention of talent to the region. The transfer of knowledge between these institutions and between them and the enterprise base will be a vital ingredient for the future success of the region.

Knowledge regions need high-skill organisations and a pro-active education sector to develop the right mix of skills to grow the distinctiveness of their assets. The region is lucky in that it has two Universities that attract talent to the region. Collaboration between them going forward is an essential if sector growth is to be accelerated. Getting them to work effectively together and together working for industry will be a major step forward for the region.

The CI sector is depicted as being highly fragmented and currently characterised by difficult to reach SMEs and micro organisations operating

within silos that are increasingly important to the economy and a potential powerhouse of creativity and innovation. A lack of interaction between these industries is obstructing business opportunities within the region and from the region to national and global markets and supply chains.

It has been recognised that a key challenge to developing and enlarging the positive economic contribution of the UK Creative Industries is the facilitation of efficient transfers of knowledge between the key components of the creative value chain and across traditional sectors, institutions and geographic regions.

Small companies are often time and resource poor and have no structured means to meet collaborators with complimentary skills. There is also need for them to meet the large end user, integrator, aggregator and investors that can offer effective routes to market. Their output into the economy can also provide valuable application solutions to a range of mainstream technology and business sectors.

Small companies capable of developing business models that can accommodate collaborative methodologies are more secure and able to adapt to rapidly shifting market trends. Strategic alliances with other SMEs or larger organisations lower the risks of creating new products and entering emerging markets. Conversely, large companies increasingly need to find ways of meeting and working with small, agile, leading edge companies that can respond quickly to technical innovation. There are obvious needs and benefits for these and other sectors to meet in structured and dynamic environments to explore emerging cross cutting themes and commercial opportunities.

Complicated multiplatform projects can only be delivered by complicated multi- skilled collaborations. The creative talent that make up such teams is rarely housed full time within one company. A KTN for North Staffordshire will facilitate the convergence of skills necessary to compete in the global market.

### **Culture and Economic Development**

It is now widely recognised that culture and creative enterprise can be a major pillar for the development of a sustainable, knowledge based economy and that it can underpin the physical, economic, social and cultural regeneration of competitive regions.

While the economic value of the creative industries is clear, there is an important potential role to be played by the less commercial cultural industries both in the overall growth of the creative sector and in wider regional competitiveness. The cultural sector is a significant source of employment in North Staffordshire – particularly in Stoke, and safeguarding these jobs is an important objective for the strategy. This requires that the cultural industries be embedded more firmly in the wider creative cluster and used more proactively in the promotion of regional competitiveness.

However, as well as being a subset of the overall creative industries, the arts and cultural industries interact with the more commercial sectors in important and complex ways. In some instances there is a direct link between industry sectors and art forms, with a continuum from subsidised cultural activity through to the commercial end. For example, music organisations continually flow between commercial and non-commercial activity, and drawing the boundary between the two is increasingly difficult.

In other areas, the relationships are more focussed on issues such as a shared talent pool. Talent and ideas flow between the cultural and commercial sectors in varied ways. Writing talent is common to literature, drama, film and TV production, and narrative writing skills are increasingly in demand in sectors such as computer games and animation. Computer games developers, web designers, design agencies and animation companies all need good visual artists with appropriate technical skills. Therefore, the development of creative talent is an important strategic objective for both the cultural and commercial sectors.

In addition, the arts are a source of new creative ideas and processes, and artists often pioneer the creative uses of new technologies and new creative forms, from writing to digital art. This can also be a two-way process with commercial businesses contributing new ideas and approaches to the cultural sector. Greater interaction between the commercial and non-commercial sectors could yield important benefits.

Culture also has a potentially important contribution to make to the wider regeneration of the city. Evidence from research into the arts and regeneration suggests that when fully integrated into area regeneration strategies, arts and cultural programmes can make a significant contribution to regeneration objectives. In addition, the artistic community often pioneer the renewal of deprived urban areas through their need for cheap available space. This in turn creates what has been described as a 'cultural milieu', raising the profile and attractiveness of an area. Investment then follows and the process of renewal is begun. Examples of this process include the development of the SoHo, TriBeCa and Meat Packing districts of Manhattan, as well as areas such as Hoxton and Shoreditch in London. But there are other more relevant examples, notably St Helen's, Preston, Doncaster, Barnsley, Derby and Nottingham and York, all of which have taken an inclusive, long-term and incremental approach to Creative Industry Development.

### 3.0 RESEARCH FINDINGS

The methodology deployed by Burns Collett included:

- An industry survey: We conducted a telephone survey of 150 businesses to gauge attitudes to business growth in the region.
- Stakeholder workshops: We ran three workshops for industry, students and recent graduates.
- Face-to-face interviews. We carried out 25 stakeholder interviews with industry leaders, key public sector stakeholders including local authorities and regional agencies, key players from education and training organisations and other intermediaries central to the development of the sector in the region.
- Regular forum meetings: We facilitated the establishment and meetings of the North Staffs Creative Economy Forum (NSCEF) to provide a touchstone to progress the research and development for this Strategy. Initially this was an informal grouping of private sector organisations and enterprises, key public sector bodies and HE. This will be retained and formalised going forward. The Forum has acted as a crucial testing ground for research findings, ideas and the development of delivery mechanisms. The forum allowed us to connect to a wider set of businesses interests, social and cultural issues across the region.
- Document review: We undertook a review of a wide range of research, strategy and policy documents that inform the findings from the wider consultation process.

What follows is a summary of issues and opportunities that arose from this process that need to be addressed if sustainable economic growth is to be delivered.

There is considerable convergence of issues and opportunities emerging from the three distinct types of research and consultation. Our analysis and interpretation of these for industry, intermediaries, local authorities and the wider public sector are set out below.

The Strategy and Action Plan are built on four key foundations that should guide investment into the sector over the next 10 years. These are **Creative People, Creative Enterprise, Creative Places** and **Creative Technologies**. From this strong foundational base we have developed Six Themes around which different forms of investment streams can be focussed, delivered and evaluated. It is anticipated that these themes will attract investment primarily for economic development and regeneration but are also geared to attract investment for art and cultural development and for improvement in some of the critical social outcomes implicit in the development programme.

#### **Creative People**

Any growing knowledge economy needs creative talent. Economic development needs to stimulate both indigenous growth and inward investment. Presently North Staffordshire does neither well enough.

North Staffordshire needs to attract and retain more creative talent to feed the growth in creative enterprise. Growing enterprises struggle to attract the appropriate calibre of staff across a range of disciplines. Much of this is related to the external perceptions of the region from people working outside. The quality of life that includes access to a dynamic, vibrant cultural offer is not being communicated effectively across the region or out with the region. The burgeoning underground in music, performance, digital media and visual art lacks confidence and support from the public sector. The hidden pockets of excellence remain precisely that: hidden from view to anyone other than those who participate. North Staffs needs to connect the underground to the mainstream so that both feed each other and stimulate enterprise growth.

After years of decline there are signs of a revival of the creative excellence that signified North Staffordshire to the world. The collapse of traditional industries of mass manufacture and resource exploitation undermined the wider economy and held back advances in both cultural production and consumption. This in turn has weakened the confidence and cultural identity of the region.

A new sense of space, place and identity has yet to emerge but it is clear from our research and the pilot Place, Space and Identity project funded by ACEWM and RENEW that, given time, the creative industries can be a major source of these narratives.

### **Creative Enterprise**

From both previous mapping and profiling of the sector and our own work in this area, it is clear that after years of decline business confidence is increasing and that the talent and enterprise necessary to drive the creative economy in North Staffordshire has survived. New talent is moving to and, crucially, staying in the area. There are signs that a wider talent base, including entrepreneurs and technology driven businesses are beginning to consolidate and grow. To be successful North Staffordshire needs to accelerate the growth of a broad range of creative enterprises around its core strengths – Design (including ceramics), Digital Media, Music, Performance, Visual Arts and Marketing Services. For an effective supply chain it needs freelancers, micro-enterprises, small and medium sized enterprises. Whilst focussing on growth we cannot ignore the micro-enterprises that are vital to the value chain of this industry and the wider knowledge economy.

The challenge now is to connect creative talent with suitable business support mechanisms and new markets; to build and promote a first-rate ecology for business growth in the region.

The business growth infrastructure necessary to enable the accelerated growth of the Creative Industries is barely formed and the delivery of services has lacked coordination and quality control. Whilst good initiatives such as Creative Network have emerged and have worked, the lack of any strategic, long-term vision or delivery mechanisms has not significantly accelerated enterprise growth nor increased GVA.

The Creative Economy is fine-grained and needs a fine-grained and sophisticated approach. From information and intelligence, improved communications, through business networks, events, skills business and market development initiatives, interventions in this sector can be cost effective and provide a real return on investment for both public and private sector.

North Staffordshire needs growing a creative enterprise base if it is to succeed long term in an expanding knowledge economy. Creating the right infrastructure for that growth is central to this strategy and development programme.

### **Creative Places**

Culture cannot be divorced from economic development. Cities and regions will not be able to sustain a high quality cultural offer without investment in its creative industries.

Culture has a central role in promoting a positive image of place; without a confident cultural milieu narratives of place are empty, rhetorical and ultimately meaningless. From Glasgow's year as City of Culture in 1990 to Manchester's re-invention as a vibrant metropolis, it has been demonstrated that the cultural and creative sector can transform an image of a place as modern, diverse and creative; key attributes in a modern knowledge economy.

In addition, there is growing evidence to suggest that a vibrant cultural scene is an important factor in the attraction of talent to other knowledge industries. That talent, technology and tolerance attracts creative people to live work and play. Richard Florida is the most high profile proponent of this view, identifying a vibrant arts and music scene as one of four key components of quality of place, and as a major factor in the location decisions of key talent across a wide range of knowledge intensive industries<sup>4</sup>. Florida, however, is not alone in this belief and there is a growing literature demonstrating the links between a broad range of recreational and cultural amenities and the ability of regions to attract key knowledge workers. Therefore, the creative and cultural sector can play an important role in the attraction of talent for a wide range of new dynamic industries for the 21<sup>st</sup> Century.

Creative Industries are concentrated most in urban centres. The **City Centre, Burslem, Longton and Newcastle** have a key role to play in the development of the cultural and creative offer for the region, but not exclusively so. The rural districts and market towns **of Staffordshire Moorlands** also have a critical role to play.

Cultural Tourism and the connections between the urban and rural attractions are underdeveloped in the region and there needs to be a more strategic approach to the selling of the sub-region. This is beyond

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<sup>4</sup> *The Rise of the Creative Class*, Richard Florida, 2002

the scope of this report but we would recommend the development of a cultural tourism strategy as part of any future Cultural Masterplan. Historic Buildings, Collections, Galleries and Museums, such as Potteries Museum and Art Gallery can combine with independent retail, rural attractions and a newer, confident creative economy based around design, visual art and popular music to establish a unique offer for the region.

If the region as a whole is to grow and prosper using creative industries as a dynamic force for change, the urban commercial centres will have to work with and for the rural economy and the important creative hubs rooted in the market towns. On-Line services, networks, information and communication can consolidate both urban and rural creative industries building the supply chains necessary for economic growth.

Collaboration around development of the Creative and Cultural Industries sector is essential if both are to perform effectively for the region. Cooperation and effective collaboration between local authorities and between them and regional agencies will be a significant measure of success going forward.

**Birmingham** can also be a major driver for the creative and cultural economy of the region but it needs to open its doors to the potential of the creative industries in North Staffordshire if both are to benefit. This is as true for cultural tourism and inward investment as it is for creative industries, enterprise and innovation. There are opportunities to develop stronger links with Business Link, Arts Council, Culture WM and Screen WM as well as the market and supply chain opportunities implicit in better networks, communication and industry events.

The proximity of **London** and **Manchester** has a complex effect on the region. It pulls many of the best and brightest talent away from the region to seek opportunities afforded by the concentration of business in the city. The flip side of this is that London's creative economy is overheating: in many cases accommodation and living costs are making many reconsider their location decisions. The rapid development of the creative industries in Manchester that will continue with the relocation of parts of the BBC to the region in 2010, provides real market opportunities for North Staffordshire. Industry should be knocking on the door but where necessary, AWM, ACE and Screen WM should be looking to develop cross regional partnerships that could focus on North Staffordshire.

Creative Industries present a real opportunity for Inward Investment. Like North Staffordshire, other regions are experiencing the phenomenon of 'returners'; creative enterprises and cultural entrepreneurs who are seeking to relocate away from London and the SE where operational costs are increasing and new technologies are enabling relocation. The challenge here is to provide a single point of contact for these people; have the information and intelligence to help them and to provide an appropriate choice of accommodation and other support for these businesses. At present no-one is taking the lead on this.

London provides not only a market in its own right for but also a springboard to the global economy for creative goods and services from North Staffordshire.

Meaningful cooperation and collaboration across other key cities – **Derby, Nottingham, Liverpool, Leeds** - needs to be undertaken in order to enhance the market opportunities for companies in North Staffordshire.

For these reasons, it is critical that creative and cultural industries in North Staffordshire are allowed to thrive. Stoke-on-Trent, Newcastle and Staffordshire Moorlands must be seen as places that value and support a broad range of creative and cultural activity, and that understand the economic and social benefits of a strong cultural sector. To become a successful creative region for the 21<sup>st</sup> century, North Staffordshire must ensure that culture and creative enterprise are central to their investment decisions to ensure long-term economic and social regeneration of the region.

### **Creative Technologies**

Technology has an increasingly important role to play in the production, distribution and consumption of creative goods and services. It also impacts upon the governance of the sector and delivery of support services to industry.

Digital media is increasingly important to the mainstream economy and it is through the production and distribution of new content that the digital media industry is being driven. North Staffordshire is home to a number of companies leading the development of digital content, opening up new markets for the wider industry. Connection of digital content producers to key buyers in the UK and overseas will be critical to the ongoing success of the region.

New network technologies, many of them open source, are opening up the possibility of new forms of collaboration between enterprises and of developing new global markets in ways that were unthinkable just a few years ago. Web 2.0 technologies allow rich content to find new routes to market and crucially new revenue streams.

Standard and Web 2.0 technologies also allow for the more effective accumulation and distribution of Information and Intelligence about the sector to the sector. A crucial currency is a sector of micro, small and medium sized enterprises. Levels of digital literacy will need to be raised if full advantage is to be taken of these opportunities. This means the development of demand for targeted skills programmes that address the utilisation of digital technologies.

The primary focus for this will be the development of new products and new markets regionally, national and globally. Linked to this, new technologies can be used to enhance local and global connections and networks, establish collaborations and supply chains. Localised websites, databases, bulletin boards, blogs, wiki's and visually rich digital content

can enhance local networks as well as providing new collective identities, a new regional image and economic growth.

New knowledge transfer technologies also open up the opportunity to link to the research base and the wider economy. Dispersed and fragmented production such as that found across North Staffordshire can be connected to missing links in the supply chain: to IP advice, to mass producer, to distributor and corporate purchaser; thereby overcoming barriers to growth that may be more acute in areas away from the metropolitan centres.

Investment in digital literacy, access and utilisation will be central to future success of the industry and region.

### **3.1 Industry Consultation**

Despite years of industrial decline there remain pockets of real excellence in North Staffordshire that can compete in regional, national and international markets. This excellence needs to be celebrated and spread across the sector and region.

A lot of talent attracted to the area as students and employees but will continue to migrate if the 'cultural offer' and the ecology for creative enterprise are not improved. The sense of place, space and identity are poor and will be weakened further by lack of investment and long-term strategic intervention.

After years of dependency on industrial mass production in Ceramics, Coal, Textiles and Steel, a new enterprise culture is emerging but needs long-term, fine-grained and effective support.

#### **Issues and Opportunities**

**Enterprise Education** needs to improve and be better coordinated. Through collaboration between industry and education, there is an opportunity to provide the best enterprise education in the UK.

**Information and Intelligence:** Support for the sector is difficult to locate and often not informed by a good knowledge of the sector.

**Networks:** Other than Bizz Fizz, there are no formal networks for skill or supply chain development, peer to peer review, mentoring or aspiration development.

**Communications:** Lack of communication across industry, from industry to consumers, between towns, from education to industry and from the public sector to all of the above is a critical failure but one that can be rectified relatively easily.

**Skills:** Graduates are not emerging from University with relevant commercial skills or industry experience. Transferable design skills are leaking from the region. Enterprise skills are poor and utilisation of digital technology is limited. This has largely been recognised by Staffs University and The Arts, Design and Media Faculty has initiated a number of innovative and practical programmes to address this.

**Business Support:** There is a desire for support but finding it and making use of it often difficult. This will change as regional agencies focus their attention of the sub-region

**Markets:** Local markets for cultural goods and services are poor and will not sustain a growing sector. Access to new markets outside the region are poorly developed but could be helped considerably by local and regional agencies. Local Authorities do not use local companies. This is linked to lack of information and communication networks but also suffers from antiquated procurement policies.

**Access to Finance:** This is seen a major limiting factor for growth. There is a lack of debate about Creative Industries business and a general perception that banks, as well as public sector organisations, are not familiar with the CI business models or markets. The survey identified Access to Finance as the biggest single factor inhibiting growth. This may relate more to a lack of information and communication of the investment offer across the region rather than a lack of investment opportunities.

**City Centre and other hubs:** Unlike other cities there is little or no retail space for CIs. This mitigates a developing consumer market in the city centre. The built environment could be transformed by the integration of CI accommodation into the high street. Burslem, Longton, Leek and Newcastle town centres could also benefit from the presence of Creative Businesses. Councils should look at the use of flexible business rates for CI's. If deployed effectively the market for creative goods and services will improve slowly over time. Creative enterprises should also be used to animate empty shops and neglected public spaces.

**Workspace:** The lack of workspace is currently not an issue for Creative Businesses in the region but future needs should not be ignored. The North Staffs offer currently does not compete with other city regions. Birmingham, Nottingham, Derby all have better and more consolidated workspace offers. If Creative Enterprise is to grow within the region, a ladder of accommodation needs to be provided. This includes the opportunity for CIs to purchase space and not just add value to others development.

**Image:** There is a serious image problem for Stoke on Trent and North Staffs. The region should utilise the creative industries to transform this image and inspire inward investment, indigenous growth and talent retention.

**Brand:** North Staffs is not a recognised brand. It is beyond to scope of this report to develop an ongoing marketing strategy but the creative economy should be utilised to develop a new narrative for the region.

**Leadership:** There is a perceived lack of voice for the sector and leadership from the public sector. Local and regional authorities have failed to celebrate their creative past, present and future.

**Ambition:** This lack of ambition in the public sector has affected attitudes in business. The creative Industries feel under valued and this in-turn reflects on their ambition. In all but a few enterprises success has measured by survival not growth. This is beginning to change but only sustained investment over time will transform this critical factor.

**Timing:** People want change now and investment in the short, medium and long term. Results on the ground are needed now if the goodwill in the sector is to be harnessed for the sustained long-term economic benefit of the region.

### **3.2 Intermediary Consultation**

Until recently, much of the activity of mediation between and across the sector was delivered by Creative Network. Since funding for this was ended, significant gaps have emerged. There are a number of key players in the region who need to be better engaged and better coordinated.

Creative Partnership has a vital role in developing cultural and artistic literacy amongst the next generation of consumers who in turn may turn out to be the next generation Creative Producers.

Bizz Fizz is regarded as an effective network for community engagement and informal business support. Extending its capacity and its reach would extend the considerable benefits already accrued.

Burslem School of Art not only provides specialist workspace but also offers informal business advice and referrals. To make the BSA more sustainable, they should consider managing further workspace for the sector.

Hothouse is a beacon of creative excellence that could improve the performance of the sector considerably should it be allowed to determine its own destiny. There is a strong case for establishing the independence from Local Authority control so that it can invest and spread its unique resources for innovation in the creative sector. There is a strong case to be made for a management buyout and asset transfer. At the time of writing the future of Hothouse is uncertain but it should be able to play a key role in the development of the sector going forward.

Urban Vision is an architecture and urban design centre. They work with partners to promote high quality architecture and urban design in and around the North Staffordshire conurbation. They do this by bringing about successful physical and economic regeneration, and social inclusion; creating a better and more sustainable urban environment; improving the image of the area; raising the quality of life for the citizens across the sub-region.

CultureGen is a Stafford-based Business Support Initiative providing effective referrals with Business Link and Staffs CC and Stafford BC. There would be advantages in it extending its reach into North Staffs and being the basis for the CIP in North Staffs thereby providing borderless support and links back to initiatives in the south of the region.

#### **Issues and Opportunities**

**Leadership.** There is a willingness of service providers and intermediaries to work better together but there has been a lack of the singular or collective leadership that will enable this. There is a hope that the strategy will provide direction and mechanisms for this leadership to emerge and influence, industry, intermediaries and public sector.

**Coordination and Communication.** Organisations and industry need a forum and other mechanisms to share information and intelligence, refer

business to the appropriate support, coordinate service and collaborate on initiatives.

**Partnership.** A collaborative, partnership approach is seen as the most effective way forward. A 'First Stop Shop' for information, guidance and referrals would be welcomed. A partnership between key players and industry was seen as vital for the effective communication and delivery of information, intelligence, skills and business support, market development and indeed, inward investment. A form of Creative Industry Partnership was seen as an effective and progressive way forward to achieve this.

**Demand driven skills and business development.** Business and Skills support needs to be driven by demand not supply. There is a lack of understanding of the complexity of the sector from some non-industry support services. Capacity needs to be built across mainstream business support especially in light of the Business Support Simplification Process and the ever-changing needs of the sector. Business Link, Business Incubation Centres, Local Authorities, FE and HE all have a role to play in the development of a strong and growing sector, but if they lag behind current sector imperatives, they may become part of the problem not part of the solution. It is vital therefore that information and intelligence about sector needs is consistently fed into and informs mainstream business support services.

**Market Development.** The market for creative goods and services in the region is poor. Creative Businesses have to trade out of the region if they are to survive and flourish. There is little or no expertise in the region to enable or encourage this. Unfortunately this means that many of the better enterprises leave North Staffordshire for places where either that market or the support to get at that market exists. Both Manchester and Birmingham drain talent and business away from North Staffordshire but effective support locally would help stem this flow of talent and jobs from the region.

**Rationalisation of Support.** There has been a proliferation of support mechanisms over time. This needs to stop and there needs to be a rationalisation of support but without losing the flexibility the sector needs. The Business Support Simplification Process will aid this but it is imperative that North Staffs is seen as central to regional agendas not peripheral as it has some seemed.

**Long-Term Investment.** There was consistent frustration in the lack of sustained support for the sector. Significant initiatives such as Creative Network are effective but limited in their impact as funding and service delivery rarely lasts for more than 1 or 2 years. There is agreement that halting decline and turning round the sector will take at least 5 years but that when it does turn around, it will have significant impact on the wider economy.

## **Public Sector Consultation - Regional**

### **Advantage West Midlands**

AWM have prioritised North Staffs for regeneration support and are critical to the successful and sustainable economic development in North Staffs. Both organisations need to be consistently engaged at a strategic level in order to best utilise this potential investment. AWM support for Creative Industries is split across Screen, Image and Sound with High Value Consumer Products. They are also about to appoint a Cultural Champion

to coordinate activity across the cultural and creative economy. Nevertheless, both have expressed support to help grow creative enterprises in North Staffs. Ambitious and/or high growth companies can expect support around start-up, Investment Finance, Innovation and ICT, Skills and International Market Development. Much of their business support programme is delivered by Business Link WM.

#### Business Link West Midlands

Business Link WM will be central to the success of business growth in North Staffordshire. They are keen to increase their involvement in North Staffs and have already begun to roll out their service. They have a dedicated Knowledge and Creative Industry team and are firmly embedded in the infrastructure in the south of the region. Initiatives here include start-up support, growth programmes such as Creative Regions and specialist high-growth support. They also engage in the sort of market development that is desperately needed by North Staffs Businesses.

#### Arts Council West Midlands

Arts Council England West Midlands has identified Stoke-on-Trent as an 'Area of Spatial Focus' and has identified the Creative Economy as one its fine shared priorities with the NSRP. ACEWM is also currently working in partnership with Renew North Staffordshire to embed art into the major housing and regeneration programmes in the sub-region, Place, Space and Identity is currently about to embark on its second phase of development. The organisations work closely with Staffordshire University, Urban Vision, North Staffordshire Regeneration Partnership and Stoke-on-Trent City Council to offer commissioning opportunities for artists to deliver projects that give people the chance to reflect on the upheaval they are experiencing, seek to capture what might be lost and forgotten and face their fears and ambitions for the future.

#### Screen West Midlands

Screen WM supports, promotes and develops a sustainable and thriving screen media sector in the West Midlands. It invests in initiatives that can have a direct bearing on enterprise growth, community engagement and regeneration. It can help promote talent and connect it to markets in the UK and overseas. It can help develop audiences digital literacy across communities and should be a cornerstone of Creative Industry Development in North Staffordshire.

#### Culture West Midlands

Culture West Midlands (CWM) is one of eight Regional Cultural Consortium's set up by the Department for Culture, Media and Sport (DCMS) to represent the arts, sports, heritage, tourism and creativity in the English regions. CWM works to promote all aspects of the cultural life of the region with partners across the public, private and voluntary sectors. They are part of the Creative Industry Strategy Group are keen to enable a greater focus in North Staffordshire. They support the development of the cultural and creative industry infrastructure and understand the particular challenges and opportunities in the north of the

region. They want to work with partners more to focus long-term resources in the region.

### **Public Sector Consultation - Local**

North Staffordshire Regeneration Partnership

North Staffordshire Regeneration Partnership (NSRP) has been created to deliver the physical, economic and social regeneration of North Staffordshire. The NSRP was formed by bringing together the budgets and staff teams of RENEW North Staffordshire, North Staffordshire Regeneration Zone and Stoke-on-Trent City Council's regeneration functions (including planning, economic regeneration, heritage, highways, housing and property services). In the recent re-alignment, the Cultural Development Team was absorbed into the NSRP and will report to the Enterprise and Innovation Group. The CDT is now well placed to facilitate the delivery of major interventions in partnership with a range of NSRP functions.

Stoke-on-Trent City Council and Newcastle Borough Council are both re-focussing on CIs as Economic drivers and fully understand supply chain issues between large, medium and small companies, and the freelance talent base essential for effective indigenous growth and inward investment. Years of under-investment in the infrastructure have weakened the industrial base in both districts. Key individuals with knowledge of creative industry development elsewhere are now in post and will be critical to the delivery of coherent investment going forward.

Staffordshire Moorlands District Council (SMDC) has a substantial but fragmented creative sector and support is being provided to towns and rural communities. On-Line industry information and business support will enhance existing provision. Further opportunities to sell products to the visitor market should be explored.

The new Local Development Framework does emphasise the need to diversify and modernise and to reduce the out-commuting of high-skilled jobs available. The business support necessary to enable this in the Creative Industries will be delivered through this strategy and development programme. Leek especially has a good Art College, a high level of appropriate building stock and has a number of selling galleries. It would not take significant intervention to develop Leek into a centre for visual arts in the way that Keswick or Hay-on Wye have become over the years.

SMDC have also commissioned work to look at the delivery of live-work accommodation in Biddulph that will meet the needs of an expanding knowledge based economy. Staffordshire do have a key role to play in the production and consumption of both Art and Antiques and could develop further the impact of the cultural tourism economy of the region.

Each local authority, elected members and individual officers, all have a contribution to make to the Creative Economy of the Region. The key to growth however is not their individual strengths and weaknesses but their collective action. Cooperation and collaboration between LA's needs to be

encouraged by industry and driven by officers in partnership with that industry.

We feel that the adoption of this Strategy and Development Programme provides a shared, seamless, borderless, effective and long-term framework for investment, action and development. Critically, a process of risk, trust and letting go is required if effective intervention and growth is to be delivered.

### **Graduate and Student Consultation**

Students and Graduates were brought together for a workshop on a wide-ranging set of issues designed to address the problem of graduate retention. Discussion focussed on image and identity, information and intelligence, quality of education and training, enterprise skills and access to networks, markets and industry.

**Dissemination of Information:** Use model that currently works, like Biz Fizz as a model for how information can be disseminated but on larger scale.

**Lack of duplication and best practice:** All supports services know what each other are doing to avoid duplication of work and funding. Needs better clarity about who to speak to and when.

**Industry Body:** There needs to be an autonomous industry one-stop-shop, a "place" for people, where they know they'll find out what's going on. This should be replicated on-line to begin to connect students, graduates and businesses. Should also drive a network that is open and inclusive. Other major centres have these so why can't North Staffordshire?

**Training:** There is a lack of enterprise training for students on their courses. University should provide more relevant industry and enterprise training. Need to invest the money in ensuring there are quick accessible courses for graduates and new business people.

**On-Line:** An independent website all can provide a showcase and access to the industry. It could also provide effective marketing for students, graduates and businesses. Using sites such as *Facebook* or *Myspace*, do something virtual. 'Creative Stoke' could develop a better service based on Web 2.0 technologies.

**Business Link:** We need local delivery partners for Business Link. There is a problem with the call centre mentality that needs to be addressed; it's about relationship building, and has to be based around people they trust, personal relationships are critical.

**Identity:** Identity of the area and the local authorities needs transforming. This will take a long time but using the example of Manchester or Birmingham and look at how they worked with the creative industries. Perhaps finding a couple of other equivalent places such as Sheffield and Brighton to use as case studies.

**Retail** – Independent products aren't currently sold in Stoke and you have to seek them out across the region. Independent retail in the city centre would be a real bonus. A strong Cultural Centre would help attract this and vice versa. This would also help develop a sense of place and identity.

**Sharing information:** All 6 (8) towns working together. There needs to be less preciousness about outputs and more willing to share information.

**Marketing:** No-one seems to shout about the goods things in the region. Should be marketed as an 'alternative' place to do innovative and risky work.

## 4.0 DEVELOPMENT FRAMEWORK - ACTIONS

This strategy challenges all partners in the region, AWM, North Staffs Regeneration Partnership, ACE WM, Screen WM, Local Authorities, Cultural Organisations and the Creative Industries themselves to adjust their existing practice to enhance the environment for creative enterprise, cultural production and consumption. With further coordination, collaboration and capacity building going forward, the sector and the wider sub-regional economy will prosper; without it, it will fail to fulfil the potential of a growing creative economy.

The Action Plan consists of a number of specific short and medium term actions to be undertaken. These are essential to develop 'world class' capabilities and competitiveness across the region and deliver quantifiable outputs over the next five years. These have been divided into 6 key themes which cut across are as follows:

### **Theme 1. Coordination, Collaboration and Leadership**

All of the regional agencies are committed to economic development in North Staffs and want to collaborate and maximise the return on their investment into North Staffordshire.

It is widely acknowledged that there has been successive lack of collective leadership in the sub-region. Now that local and regional political re-ordering has been embedded, and key positions filled by personnel who understand the sector, this leadership must emerge.

Collective leadership can best be achieved through partnership and active collaboration. This collaboration exists at a strategic level through the Regional Creative Industry Steering Group, but is not applied effectively across North Staffs. There are reasons for this, not least of which is a clear anchor for their investment in North Staffs, changing personnel and structures across the three local authorities.

To address this, the Creative Industry Strategy and Development Programme recommends establishing a high level partnership agreement between regional agencies and the NSRP to focus on long-term economic and cultural growth in North Staffordshire. **Creative Collaborations** should take the form of a Memorandum of Understanding (MOU), and will focus resources and decision making to ensure better accountability and a greater return on public sector investment, it should endorse and take ownership of the North Staffs Strategy. Its membership should drive the action plan and evaluation over the next 5 years.

Local coordination, collaboration and leadership will be maintained by the continuation of the **North Staffs Creative Economy Forum (NSCEF)**, a group of predominantly private sector stakeholders that can take ownership of, guide and inform delivery of the strategy. Set up to guide the research and development of the CI Strategy NSCEF should continue to meet and may emerge as a Shadow Board for the Creative Industry Partnership.

NSCEF should be enabled and chaired in the short term by a **Creative Industry Champion**, as short-term appointment who will act as an advocate for the sector, drive, coordinate and deliver the short-term actions from the strategy and link back to other key groups on the NSRP. They will further test and develop the impact of a **Creative Industry Partnership** to deliver sector growth over the next 5 years.

## **Theme 2. Creative Enterprise Development Infrastructure**

The shift from industrial to a service and knowledge economy has been traumatic in parts of North Staffordshire. This has been compounded by almost constant change in the political and administrative structures. Decision-making has been difficult, long-term planning and decision-making has been virtually impossible.

Monolithic industries do not breed an enterprise culture and their breakdown has left a gap that needs to be filled by enterprising, innovative, ambitious, creative enterprises from across the economy. Developing an enterprise culture will require long-term investment in the social and economic fabric. A cultural shift needs to be undertaken: the Creative Industries can be one of the major drives for that change.

Unlike other city regions North Staffordshire does not have a dedicated resource for enterprise development for the creative industries. The industry therefore has lacked focus, specialist support, profile, investment and impact. Derby, Nottingham, Sheffield, Preston and other city regions similar to North Staffordshire have had effective focussed leadership, support and delivery for some years. Cities like Manchester, Liverpool, Glasgow and Newcastle have been intervening effectively in this sector for nearly a decade and are now renowned the world over for the Creative Economy. It is time that the industry in North Staffordshire gained the same benefits as those in other regions. It is time that the creative economy was utilised to drive the competitiveness of the region.

Learning from the successes and failures of other cities and applying these lessons in a local context will accelerate both enterprise growth and the establishment of an effective low-cost, high impact support service. North Staffordshire may be 10 years behind other regions but it should not take ten years to catch up and overtake them.

To achieve this we recommend the investment in a **Creative Industry Partnership (CIP)** that will provide focussed, strategic leadership for the industry and public sector partners. Using best practice from the UK and overseas this should build on the strong partnership between NSRP, AWM, ACE and Business Link but be broadened to include high-level representation from Screen WM, Higher Education and industry. It will work with partners to increase activity across a range of partner support mechanisms. It will improve industry access to a range of dispersed services that currently under-perform. With its partners it will coordinate:

- Leadership

- Advocacy
- Information and Intelligence,
- Networks
- Skills and Business Development

The latter should include a range of 'kite marked' services delivered by partners. These include an on and off-line information and intelligence service, industry communications, network development, skills development and training, access to finance and market development initiatives. Going forward, the CIP should also lead on the establishment of a Knowledge Transfer Network (KTN) to link the Creative Industries with other innovative sectors and with the research base in the region and across the UK.

It can provide an effective interface between NSRP and regional agencies, all of whom should be founding stakeholders. The form that the CIP will take is not yet decided. This will depend upon the prevailing political landscape. It could be a time limited partnership, it could be a company limited by guarantee or part of the NSRP. It could also be set up as a Community Interest Company (CIC), the role could be assumed by an existing organisation that had the relevant experience and resource. The final shape will be subject to further consultation by the Creative Industry Champion but a CIP will accelerate economic growth and is central to the delivery of this strategy.

### **Theme 3. Education**

HE is fundamental to successful economic growth in the sector in the region. Staffordshire University, Keele and Manchester Metropolitan University at Crewe can all have an impact on economic growth. Being core to the city region, and with a large concentration of Creative Industry courses and post-graduate activity, Staffordshire University will have most impact.

The two Universities are major attractors of talent and investment into the region. Both have a critical role to play in the development of the creative economy in the region but there should be more collaboration between them if real added value to the sector is to be accrued.

Partnership between institutions will help significantly. The county-wide Life Long Learning Network (LLN) has adopted a focus on creative industries through its Creative and Media Group. This group has pursued a number of funding opportunities to develop progression routes, Foundation Degrees and post-graduate short courses.

Working closely with NSCEF this group could develop innovative projects and working relationships that should be led by the private sector. This could focus on the development of a Knowledge Transfer Network (KTN) for the Creative and Digital Industries. Under funding being brought forward by UK Government (BERR) these KTNs will need to be 'business led'. This fundamentally changes previous funding mechanisms and challenges both HE and Industry to develop new working relationships. The challenge is to do it here, now.

A collaborative research programme focused on Creative Industries and regeneration across the North Staffs region could become a USP and useful driver for investment. Information gathering and sharing across the creative economy during a period of sustained regeneration would be extremely valuable but should be carried out effectively. It should be done with industry not to industry. Staffordshire University has offered a significant data resource to kick start this process. The industry information portal will be the engine of this initiative. Applied research could connect industry directly into economic development, making the latter much more responsive than it currently is. Here there literally is only the quick and the dead. Applied industry research can help the region become and remain competitive. Staffordshire University is keen to work with NSCEF and eventually the CIP to implement this.

**Staffordshire University** has developed a number of initiatives to foster entrepreneurship amongst their Art and Design Students. SPEED and EFS provide both funding and training to graduates to help incubate business ideas. The Business Village attracts a number of Creative and Technology led business initiatives and provides sector specific and business growth support. The Creative Village provides a more creative environment for smaller start-ups and shares support with the Business Village.

SU are developing a number of innovative relationships with the private sector to encourage more market-focused research, teaching and learning.

Through their work with the West Midlands Lifelong Learning Network (LLN), they have the opportunity to drive education excellence in the region. Working closely with Schools, FE and the Informal Learning Sector, SU needs to map the provision for Creative Education courses ensuring an educational ladder of opportunity across North Staffordshire. From this it should take a strategic lead in the development of excellence and best practice at every level of creative education in the region.

By engaging strategically and in partnership with others, SU has the opportunity to increase the quality of its teaching, learning and research, to enhance employer engagement and to increase student numbers. Working with other it should strive to increase investment into the sector by allowing others to benefit from strategic funding opportunities.

SU are keen to undertake 'Learning Journeys' with NSCEF to other University projects to learn from recent developments in creative business incubation.

FE has a role in developing foundational skills and delivering Continued Professional Development (CPD) but again quality of provision and industry engagement are critical. Without this some courses can raise expectations and fail to deliver the skills and capabilities that are recognized or needed by industry. Skills gaps are maintained and widened by courses not fit for purpose.

Schools are responsible for creating the next generation of cultural producers and consumers. They in-turn will dictate the image of the region; its sense of place to its self and the outside world. The work of Creative Partnerships should be extended and supported across North Staffordshire. Creative Partnerships can accelerate both cultural and digital literacy across the region. Its work should be extended and prolonged wherever possible.

There should be strong links with the Creative Academy, a pilot programme developed in Stoke-on-Trent which uses cultural programmes to build skills and capacities in Young People not in Education, Employment or Training (NEETS), developing pathways to training, work etc. The Creative Academy has drawn significant support from the private sector and a modest investment from NSRP would support the role out of this innovative and highly effective programme across North Staffs.

Partners need to create **ladder of opportunity** between the region's schools, youth services, FE and HE, and business community. North Staffordshire has made significant headway in its engagement with schools to encourage an ongoing enterprise culture. In a rapidly expanding market, the Creative Industries can offer real and relevant business opportunities for young people. The NSCEF and the CIP should work shoulder to shoulder with NSRP to develop a range of opportunities – live briefs, placements, enterprise skills, learning journeys – for the next generation of creative entrepreneurs.

The new **University Quarter** will have a significant impact upon the regeneration of the area around the station and city centre. New 21<sup>st</sup> Century facilities for Media and Performing Arts can become a real asset for the region, but only if it recognises the convergence of markets and practice across the entertainment industry.

The University Quarter will have a positive effect but that effect will be multiplied if partnership, course content and delivery are reviewed to better meet dynamic industry needs. Particularly, they should review the option to build two separate centres for Media and Performing Arts. Convergence of media technologies, practice and the market has led other to a fundamental rethink of education delivery into these sectors. The overlap of talent, technology, skills, research and practice leads us to believe that considerable value added can be gained for the students, University, Industry and the region, if there is one building for Media and Performing Arts.

From University of Glamorgan to Goldsmith's College London, University of Derby to Sunderland University, all the celebrated new Creative Industries centres have recognized that converged facilities, courses and practice is the only way to attract the best and the brightest students. Converged facilities for teaching and research reflect and enhance industrial and commercial opportunities. With the best and the brightest teaching staff they produce graduates that have a better chance of making it. They may even locate close to the resources that have equipped them for enterprise thereby enhancing local GVA.

It is critical therefore that research, teaching and enterprise training better reflects the needs of students and industry in a rapidly converging industry. A 'one building' solution for Media and performing Arts should be pursued if an opportunity is not to be lost. If this does not happen both the University and the region will lose the best and the brightest students as they choose courses firmly rooted in a converged industry and that gives them a better chance of employment or enterprise start-up. Employer engagement, access to convergent technologies and access to enterprise skills should become a USP for Creative Courses the new University Quarter.

#### **Theme 4. Regeneration Physical Development**

Physical regeneration of North Staffs especially in and around the city centre will be crucial for the long-term success of the creative economy. A vibrant city centre will provide a place of production and consumption of cultural and creative goods and services. A strong city centre will also aid the connectivity, information flows, economic and cultural opportunities for the sector and region as a whole. As a sub-region North Staffs is unusual in that its district centres has strong embedded identities that are not enhanced by a strong, identifiable and vibrant centre. This report cannot determine the transformation of the city centre other than to encourage the inclusion of cultural and creative spaces in the masterplan and eventual build.

Jane Jacobs once said that 'New ideas need old buildings' and North Staffs has an abundance of both. The challenge is to effectively marry the new and the old and making both sustainable and drivers of the wider economy. It is universally recognised that culture and creative industries add value to physical regeneration and economic development. From New York to Paris, Glasgow, Manchester, Birmingham and Derby, consolidation of creative industry activity around urban centres adds life, dynamism and increases land values. This is especially relevant to North Staffordshire where falling land values sometime make development uneconomic.

Loft Living, student accommodation, temporary and permanent gallery spaces, installations and a programme of cultural animation will all add vitality to the city over time. A business and cultural district will add value to each other especially if they are linked together through an innovative Art in the Environment Strategy. A re-energised Cultural Quarter that builds upon the existing infrastructure linked to a focus on Digital Visual Culture can provide an innovative and popular attraction as well as an output for local and visiting artists.

Successful creative entrepreneurs should be encouraged to purchase redundant spaces in the city thereby becoming stakeholders in a revitalised economy. Either individually or collectively they should consider establishing spaces of production in the city and region. Taking a lead from WASPS in Scotland, ACME in London or the Department Store in Manchester, establishing creative space will mean that the sector will not be exploited by but will gain from the physical regeneration of the region.

In the medium to long term partners must ensure that there is a provision of appropriate workspace for the creative and digital industry. The region needs to provide a **ladder of accommodation** that encourages growth for the creative industries. From incubation and start-up accommodation, to grow-on space that companies have an option to buy; North Staffs has the opportunity and resources to plan for and deliver a workspace offer that is unrivalled. To ensure this provision, partners must engage with developers and anticipate growth and demand from the sector. Local Authorities should encourage appropriate asset transfer of unused buildings and provide support to collective initiatives that enable the industry to become stakeholders and beneficiaries in the regeneration process.

**Develop the North Staffs Creative Arc.** Newcastle, Burslem, City Centre and Longton have a critical mass of Workspace and CI activity. These hubs need to be linked through on and off line activity - Events, Networks, and collaborative projects. High bandwidth, uncontended broadband would link the hubs and foster on-line collaboration around the development of rich digital content. With a strong core, Market Towns and rural enterprises can better connect to services and markets through this.

Museum Square in the Cultural Quarter should be ambitiously themed as a **Space for Innovation in Visual Culture**. Linked to and focus of a Strategy for 24/7 Art in the Environment. This will provide an ever change space for experimentation, innovation and performance of digital visual culture. This should be a space that will capture the imagination of residents and tourists and can generate a level of interest to define a new space for the city centre. Further work would need to be commissioned but the square could be transformed by an innovative series of screens and projection spaces that could display the best of the local, national and international audio-visual digital content. Linking the work of Number 4 Broad Street with the Museum and commercial venues such as Planet Sound, Sugar Mill and the Underground could capture the imagination of the sector and the public alike. It could define an intellectual and cultural space for the city region that may begin to transform attitudes and narratives about the city.

The redevelopment of the city centre is critical to the future growth of the sector but it also can capitalise on the growth of the creative sector and the cultural identity of the city. Private sector development capital could also enable ongoing funding for further innovation in the creative economy.

NSRP should use Planning Gain to establish a Creative Dividend for the sector. Research and development of an **Innovative Section 106 agreement**, based on best practise from around the UK will provide a creative/digital dividend for on-going flexible investment in sector. This could help fund future developments around high bandwidth connectivity, the provision of affordable workspace or to part-fund excellent art in the environment.

## **Theme 5. Place Making and Talent Retention**

Place making and talent retention are intimately bound together. Creative Producers and consumers actively establish a sense of place; new narratives for the indigenous population, investors and for visitors alike. They develop narratives of place and those places become known through those stories and images; known as a place for excellent, challenging and innovative cultural and creative production. Glasgow is now known as a centre for culture and for excellence in creative production and consumption. This is largely down to the effect of City of Culture in 1990 but that event and the shift in attitudes was 10 years in the making. Attitudes cannot be changed overnight and North Staffordshire has to be in this for the long haul.

New narratives start by the industry and public sector having a shared vision matched by the confidence and ambition to transform attitudes and practices in the long term; having the confidence to work in partnership with each other and with industry; to risk and to trust, to invest strategically and crucially, attracting and keeping the individuals that can make decisions, and who have the ability to work with industry to see it through.

At a regional and sub-regional level, key individuals in the public sector are in place but we are not proposing a top down model that would be doomed to fail. The public sector needs to learn to let go. Working together through a strong partnership (the CIP), public sector, private sector and intermediaries can accelerate the transform the image and actuality of North Staffordshire and its constituent parts – market towns, city and rural areas.

Using a range of tools outlined in the action plan over the short, medium to long-term the Creative Industries sector can help reposition North Staffordshire as a **Centre for Creative Excellence**. Improving and building a positive image locally, regionally, nationally and internationally will help attract new talent and business to the area. They in turn add new pages to the story of the place going forward.

The development of a growing market for creative goods and services combined with effective enterprise support ecology will help attract, retain and grow talent; as will an improved built environment and more vibrant cultural offer. Over time this can combine to develop a new sense of place and new narratives around the creative economy.

To begin a process that will take some time we suggest the implementation of three initiatives. **Creative Heroes** will develop cross media narratives of North Staffs creative entrepreneurs from the past present and into the future. The films can be used as educational tools, business inspiration and place marketing.

Working with Screen WM partners should establish a **North Staffs Locations Service**, image bank and intelligence service for film and TV companies wishing to work in North Staffs. The film and TV industry in the UK is booming at present and Stoke is ideally placed to take advantage of

location filming for Film, TV and Advertising. It won't be able to do this however unless production companies and location finders know it is here and can access good images of the region. North Staffordshire has great locations. From grand Victorian Buildings to ancient market towns, idyllic rural locations and spectacular scenery, North Staffs has it all.

Attracting filming to the area has a number of advantages. Firstly, the images themselves can be used for wider regional marketing, for inward investment and cultural tourism. Secondly, it brings inward investment and economic activity to the region. Film crews stay in hotels, use local taxis, hotels and other services. Local labour is used to build sets, as extras and as support crew. Thirdly, the very fact that people are filming in the region generates excitement, pride and interest in the industry. And finally the finished product does all of the above when shown on TV or the big screen. This would be a low cost, high value investment that should be undertaken in partnership with Screen West Midlands.

All this and the information service should be wrapped up in **an on-line Creative Industries Showcase** where the excellence in the region can be showcased and connected to the world. This could build on the work of Creative Stoke website and/or the Hothouse site. Alternatively, NSRP could work strategically with partners to establish an umbrella site linking the best of the local and the best of the national and global.

Innovative development of the **Museum Square** could play a major role in the transformation of place, space and identity of the region. It should provide the focus for the industry and for the public.

Stoke City Council has commissioned a Festivals Strategy for the city. Extending this across the region can add significant value. Something as simple as a Festivals Diary incorporating activity for the next twelve months and beyond can act as a great planning and marketing tool. An annual or biennial **Festival of Design** should grow out of the Ceramics festival. Design is broader and more in tune with the knowledge economy than a narrow focus on Ceramics. It could include design from ceramics, to architecture, street furniture to graphic and product design. Working with the Wellcome Foundation could foster strong input from the Bio and Health Care sectors. Again, a long-term vision of what this is and how it could grow need to be established.

The public sector needs to work closely with the private sector to deliver this in the short term but should aim remove themselves from delivery over time. Investment needs to lever private sector sponsorship to provide greater resources and less dependence on public sector finance.

Marketing of public events and festivals is generally between poor and terrible. Marketing budgets and campaigns are usually neglected and undervalued. A strong marketing campaign should be wrapped around any programme of events or festivals. This should not be done by Local Authority press marketing department but contracted out to the private sector.

## **Theme 6. Future Proofing**

There is an under-developed market for cultural, artistic and creative goods and services in the region. Consumption of cultural goods needs to become the norm not the exception for the majority of the population. This may take 20 years to achieve but the work needs to start now.

Having good content and letting people know about it is essential. Audiences Central need to have better engagement with North Staffs. There needs to be better relationships with local media and more confidence about local people, businesses and places. Audience information needs to be better utilised and managed: for example a buyers network for visual art could be built, selling shows organised, artist studios opened to the public.

To sustain market growth and engagement of next generation of cultural producers and consumers partners need to engage in a systematic programme of cultural literacy from 12 year olds upwards. North Staffordshire could be the first city region in England to guarantee free access to a cultural visit, event, or other participation each term. **NSRP Cultural Passport** should be made available to for all kids in N Staffordshire.

For young people under the age of 24, individuals, schools and community groups should be encouraged to participate in the national **On-Line NOISE Festival**. This on-line festival has been piloted in the North West but is now going national. Creative Academy and Creative Partnership, FE and HEI's in North Staffordshire should aim to establish a presence for the region at this Festival to show that young people in North Staffordshire can compete with excellent creative producers from across the UK

The CIP, NSCEF and the Universities should collaborate to establish an on and off-line **Knowledge Transfer Network (KTN)**. North Staffordshire could be the first City Region to develop a regional hub for the new DBERR Knowledge Transfer Network. Open source technology provides an innovative on-line space for knowledge exchange and commercialisation for technology, innovation and revenue streams for digital and creative business. It can create new delivery channels for intelligence gathering, innovation, enterprise development, networks, skills, business and market development. It is also an engine for HE research and development.

International competition is increasing and emerging nations are investing significant resources and winning global market share. The UK needs to better inform their investment decisions in order to maximise their return. Researched, developed and delivered effectively, the KTN can be a major catalyst to improved business performance and increased GVA in the region. London is the powerhouse of the UK creative economy but needs to connect better with the regions if the UK is to fully realize its potential to become the 'world's creative hub'.

The sector is characterised by difficult to reach SMEs & micro organisations that are increasingly important to the economy and a crucial

source of creativity, innovation and wealth. Small and Micro companies are often time and resource poor and have no structured means to meet collaborators with complimentary skills or access markets created through the application of new technology. There is a need for them to meet the large end users, buyers, investors, integrator and aggregator companies that offer effective routes to market. This need is currently unmet.

Conversely, large companies increasingly need to find ways of meeting and working with small, agile, leading edge companies that can respond quickly to technical innovation. The sectors that make up the CDI sector exist within sectoral and geographic silos. They have very different business models and often different “languages”. A lack of interaction between them is obstructing business opportunities. Connected technologies are responsible for new challenges due to changing relationships. They need to find ways of engaging these more sophisticated audiences in new ways.

The KTN provides the opportunity for the improvement of industrial performance across the region by providing two-way flows of people, knowledge and experience between businesses, from business to the consumer and between the science base and CDI businesses.

## **Conclusion**

This Creative Industry Strategy and Development Plan addresses the key economic, social and cultural challenges that are particular to the industry in the region and, as such addresses some wider issues than most Creative Industry Strategies. Whilst clearly focussed on economic development and commercial growth it also looks to help transform attitudes to cultural consumption and production in the sub-region over the next ten to twenty years. In this sense, it links together aspects of economic policy with cultural policy so that both can feed off and drive each other forward to deliver sustainable regeneration through economic, cultural and commercial growth.

Economic growth can only be achieved by incremental indigenous growth and inward investment; growing and attracting creative enterprises of varying size. There is no ‘one size fits all solution’, nor have we identified a magic pot of gold that will transform the region over night. It will take time, commitment, risk, trust, partnership, cooperation and most of all ambition across both the public and private sectors.

Industry must play its part in all of this; it cannot look to the public sector to provide all the answers. The industry needs to take control of its own destiny and the Development Framework outlined here will help facilitate this. After years of neglect and under-investment conditions for investment and growth are now being established. What is required now is commitment, collaboration, innovation and no small amount of ambition; ambition to succeed and grow but most of all to do it here.

The remit of this strategy was limited to the development of the Creative Industries but our research has highlighted the need for a renewed Cultural Strategy or indeed a Cultural Masterplan – the development of a vision and delivery framework for the rationalisation and development of cultural services for the 21<sup>st</sup> Century and a holistic approach to the wider cultural realm.

The North Staffordshire Creative Industry Strategy and Development Programme outlines a number of SMART actions; these fine grained interventions address the needs of the sector in North Staffordshire and form a framework for the accelerated development of the Creative and Digital sector in the region.

This programme is adaptive and will accommodate changes in the market and regional priorities. Using this framework to focus short, medium long-term investment into the sector provides a once in a lifetime opportunity to transform the industry, the city and the region.

## **APPENDIX 1. EVALUATION**

### **Evaluation Framework**

As part of this work, we were asked to put in place an Evaluation Framework to allow partners to the strategy to produce a clear agenda for testing and checking progress of the strategy against a number of indicators. The Evaluation Framework is an essential element of the Creative Industries Strategy as it provides a set of tools that can be used to benchmark the sector, provide trends analysis and form the basis of evaluation of the effectiveness of the activities that form the implementation programme for the strategy. The framework has 3 elements to it:

- Baseline data for the sector
- A trends analysis model
- Measurement tools for the implementation programme

### **ABI Usage**

We have used Annual Business Inquiry data (ABI) for both the baseline and the trends analysis model. ABI is one of a number of datasets that can be used for measuring business size and activity. The data provided by ABI does have limitations and these should be noted when reading the outcomes of our analysis. The primary limitation – especially in relation to sectors like the Creative Industries that is characterised by a high level of micro-enterprises – is that ABI data includes only those businesses that are VAT registered and/or run a PAYE system for employees. In this respect, any business – particularly self-employed, sole traders - that are not VAT registered, will not be included in the data. Importantly, a number of other studies over the past five years have identified the relative proportion of freelance employment in the sector in relation to larger business units. These ratios vary sub-sector by sub-sector. However, in other city-based surveys, the proportion of freelance to larger business units ranges between 75/25 and 60/40. We have taken a relatively conservative ratio of 65/35 as a means of estimating business units and employment in the sector.

A second important aspect of ABI data is the requirement by Government not to disclose potentially confidential data about individual businesses. This requires the users of ABI data to limit the publication or passing on of specific data cells that, if not suppressed, could potentially breach confidentiality. Equally, employment data is required to be rounded to the nearest unit of 100.

In terms of the specific work being undertaken for the strategy, these requirements limit our ability to report detailed data by workplace size-band. However, we can provide data by year and by local authority and provide a commentary on the background data and a methodology for undertaking this analysis in-house.

A third limitation of the data is the time period that ABI in its current form covers. The start date of 2003 is reasonable but ABI is 18 months to 2

years behind real-time and therefore only provides a retrospective, rather than current, picture of the sector.

#### Baseline Data

The brief for this work did not ask for a detailed mapping of the sector, we have undertaken some work to provide a reasonable estimate of the size of the sector across North Staffordshire by number of businesses and by employment. This is an estimate only drawing on Annual Business Inquiry data provided by ONS and supplemented by a reasonable estimate of additional freelance or self-employment in the sector that is not included in the ABI figures.

We have also provided some comparative data on all businesses in the North Staffordshire area as well as supplementary data on the ceramics industry<sup>5</sup>.

Creative Industries estimates are derived using 45 4-level SIC Codes (2003) that include creative industries activities. These are drawn from DCMS' DET and DCMS Economic Estimates<sup>6</sup> work over the past 5 years. Those SIC codes that contain partial creative industries activities are apportioned using a percentage derived from the DET and DCMS Estimates for GVA as a proxy for business numbers and employment. Details of SIC Codes and % apportionment can be found at Appendix xx.

#### Creative Industries Estimates for North Staffordshire 2003-2006\*

##### North Staffs Employment: All Creative Industries

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Newcastle</b>	900	1000	1000	900
<b>Staffs Moorlands</b>	300	300	200	300
<b>Stoke</b>	1,700	1,600	1,600	1,400
<b>Freelance estimate*</b>	800	800	800	800
<b>Totals</b>	<b>3,700</b>	<b>3,700</b>	<b>3,600</b>	<b>3,400</b>
<i>Change</i>		<i>0.00%</i>	<i>-2.70%</i>	<i>-5.56%</i>

\*all figures rounded to the nearest 100

##### North Staffs Businesses: All Creative Industries

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Newcastle</b>	138	134	138	138
<b>Staffs Moorlands</b>	112	113	114	111
<b>Stoke</b>	172	167	166	167
<b>Sub-Totals</b>	<b>422</b>	<b>414</b>	<b>418</b>	<b>416</b>
<b>Freelance estimate</b>	784	769	776	773
<b>Total Businesses</b>	<b>1,206</b>	<b>1,183</b>	<b>1,194</b>	<b>1,189</b>
<i>Change</i>		<i>-1.90%</i>	<i>0.97%</i>	<i>-0.48%</i>

<sup>5</sup> SIC codes for the Ceramics Industries drawn from 'The Ceramic Supply Sector' by CERAM Research (2003).

<sup>6</sup> DET is the DCMS Evidence Toolkit. DCMS Economic Estimates uses a different, overlapping set of SIC codes. We have combined the two for the purposes of these estimates.

Creative Industries estimates can be compared with the total stock of businesses and employment in North Staffordshire as follows:

**North Staffs Employment: All Sectors\***

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Newcastle</b>	44,100	46,200	45,200	45,500
<b>Staffs Moorlands</b>	29,100	29,300	28,700	29,300
<b>Stoke</b>	108,700	108,600	105,800	106,100
<b>Totals</b>	<b>181,900</b>	<b>184,100</b>	<b>179,700</b>	<b>180,900</b>
<i>Change</i>		1.21%	-2.39%	0.67%

**North Staffs Businesses: All Sectors**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Newcastle</b>	3,498	3,552	3,692	3,665
<b>Staffs Moorlands</b>	3,297	3,333	3,417	3,464
<b>Stoke</b>	7,376	7,318	7,461	7,234
<b>Totals</b>	<b>14,171</b>	<b>14,203</b>	<b>14,570</b>	<b>14,363</b>
<i>Change</i>		0.23%	2.58%	-1.42%

\*all figures rounded to the nearest 100

The Ceramics Industries data is provided at the North Staffs level only because of disclosure and confidentiality issues as follows:

**North Staffs Employment: Ceramics Sector\***

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>N Staffs</b>	11,600	10,500	8,100	6,800
<i>Change</i>		-9.48%	-22.86%	-16.05%

**North Staffs Businesses: Ceramics Sector**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>N Staffs</b>	190	180	150	139
<i>Change</i>		-5.26%	-16.67%	-7.33%

\*all figures rounded to the nearest 100

**Trends Analysis Model**

The Trends Analysis Model draws on this data and provides data based on a sample of creative industries SIC codes. The purpose of the trends analysis is not to provide comprehensive data about the size of the sector but to provide indicators of movement between years in employment and business stock in the sector. Ideally, businesses would be analysed by size band. There is a high level of potentially confidential data cells when analysed at size-band level and we cannot report these directly. However, we can provide some initial commentary and a methodology for undertaking this data capture and analysis in-house.

The Creative Industries Sample data focuses only on those SIC codes that are considered to include 100% creative industries activity within them. This represents 20 of the 45 SIC codes attributed to the creative industries. For example, Advertising (SIC Code 7440) is considered to represent 100% creative industries activity whereas the Architecture code (SIC Code 7420) represents 50% creative industries activity and 50% Engineering activity. We include the Advertising code and not the

Architecture code in the trends analysis model. A break down of the SIC Codes for both the complete Creative Industries analysis and the Trends Analysis can be found at Appendix 2.

Using 100% SIC codes only, gives a clearer year-on-year picture of actual movement in the creative industries in the area and ensures that annual comparisons are not compromised by changes in other activities that are not within the creative industries sector but may be embedded within some of the SIC codes.

The Creative Industries Sample code provides the following trends data between 2003 and 2006 (4 years):

In terms of employment there is clearly an overall downward trend in North Staffs in general and the more detailed figures (before rounding is applied) indicate that this downward trend takes place in all 3 Local Authority areas across the 4 years. However, the greatest change takes place in Stoke on Trent with Newcastle and Staffs Moorlands showing stabilisation and a small amount of growth between 2005 and 2006.

The table that shows the size of business stock in the sector indicates a downward trend as well with some stabilisation between 2004 and 2006. In fact, there is growth in this period in Newcastle and the largest decrease, percentage-wise takes place in Stoke with decreases year-on-year in the range of 5% to 7%.

**North Staffs Employment: Sample  
Creative Industries**

**North Staffs Employment: Creative Industries Sample (rounded)**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Newcastle</b>	600	600	500	600
<b>Staffs Moorlands</b>	100	100	100	100
<b>Stoke</b>	1,200	1,100	1,100	800
<b>Totals</b>	<b>1,900</b>	<b>1,800</b>	<b>1,700</b>	<b>1,500</b>
<i>Change</i>		-5.26%	-5.56%	-11.76%

**North Staffs Businesses: Creative Industries Sample**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Newcastle</b>	52	48	52	58
<b>Staffs Moorlands</b>	51	49	47	45
<b>Stoke</b>	81	75	71	66
<b>Totals</b>	<b>184</b>	<b>172</b>	<b>170</b>	<b>169</b>
<i>Change</i>		-6.52%	-1.16%	-0.59%

Critically, and this is not shown in the detail of the table but is apparent from the background data, is that the significant decreases in business stock (and therefore employment) take place amongst businesses employing between 11 and 49 employees and 50 and 199 employees. This is underpinned by overall growth amongst businesses with between 1

and 10 employees. However, it should be noted that real growth takes place in Newcastle with Stoke and Staffs Moorlands experiencing small decreases in business numbers over the period.

In relationship to trends in employment and business stock across all sectors in North Staffs, it is clear that changes in the Creative Industries do not reflect changes across all sectors. Employment change between March 2003 and March 2006 (4 years) showed a small decrease of 0.55% in all sectors and a substantial decrease of 21.59% in the creative sector. Business stock changes in all sectors showed an increase of 1.35% in all sectors compared to -8.15% in the Creative Industries.

The trends analysis model provides the basis for a simple process that can be updated internally on an annual basis. Over time, this will enable the partnership to understand changes in the sector and where these changes are taking place.

This process has an important relationship with the implementation of the strategy as it provides a retrospective tool that enables the partnership to test the overall impact of their strategic intervention. However, it must be noted that there will be a time lag between the implementation of the strategy and the provision of data for the relevant time period of intervention. Assuming an implementation start date of April 2008 for the strategy, data on the sector for the year-end 2008/2009 will not be available until December 2010.

For details on the methodology, SIC Codes and SIC Code scaling, please see Appendix 2

#### Measurement Tools for the Implementation Programme

The Trends Analysis Model will, over time, provide critical data to enable partners to the strategy to reflect on changes in the sector. This analysis will be retrospective and is also relatively broad brush. The wider evaluation framework needs to link actions arising from the implementation of the strategy with changes that flow directly or indirectly from that implementation programme. In this sense we need to ensure that not only are actions being implemented we also need to ensure that there are means of knowing how effective that implementation is or has been. To facilitate this process, we have set out a series of indicators (indicators of what has happened – actions) alongside a set of measures (measures for understanding effectiveness of those actions) for each area of activity within the implementation plan.

## Evaluation Framework: Implementation Plan

**Indicators:** Those things that tell us the action has taken place or is happening

**Measures:** The way in which the effectiveness of the actions are measured

Strategy	Actions	Evaluation
<p><b>North Staffs Creative Economy forum.</b></p>	<p><b>NSCEF.</b> Regional Industry Steering Group to oversee the delivery of the CI Strategy and Development Programme</p>	<p>Indicators: Steering Group established Terms of reference agreed Quarterly Meetings</p> <p>Measures: Annual internal review of role Biennial external review of effectiveness</p>
<p><b>Better, Stronger, Longer Partnerships.</b> Partnership for growth. Better return of investment Joined up, long term investment in cultural production and consumption.</p>	<p><b>Creative Collaborations</b> Formal Memorandum of Understanding (MOU) and Partnership Agreement between AWM, ACE, Screen WM and NSRP. Aimed to secure long-term economic and cultural focus and growth in North Staffordshire.</p> <p>Focus and join up resources and decision making for 5-10 years.</p>	<p>Indicators: MoU in place and approved by partners</p> <p>Measures: Annual internal review of role and renegotiation of joint working Biennial external review of achievements</p>
<p><b>Coordination, Leadership and Delivery</b> Advocate that can Drive the industry agenda and impact political decision-making in the short term. Provide political leadership + advocacy</p>	<p><b>Creative Industry Champion</b> Time Limited (6-9 months). Drive CI Strategy and Coordinate and deliver CI Strategy and Development Programme. Advocate for the sector. Chair, NSCEF and link with NSRP. Develop and form partnerships. Implement short-term initiatives, animate networks, raise the bar for support services, and influence investment from NSRP, LA's and others.</p>	<p>Indicators: Job Description and Recruitment complete Champion in place CIP Business plan completed</p> <p>Measures: Quarterly progress review of initiatives Internal review of effectiveness (end of contract)</p>

	Prepare Business Plan for Creative Industry Partnership	
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<p><b>Develop a Creative Industry Partnership for North Staffs</b> Invest and Develop effective Creative Ind. Infrastructure. Support creative enterprise, support services and intermediaries to develop improved information, knowledge, networks and supply chains through:</p> <ul style="list-style-type: none"> <li>- Information and Intelligence</li> <li>- Network Development</li> <li>- Skills and Business support</li> <li>- Market Development</li> <li>-</li> </ul>	<p><b>Establish a Creative Industry Partnership</b> Industry, Business Link, ACE, AWM, Screen WM, LA's and Culture Gen or other.</p> <p>Services to include:</p> <p>Intelligent Database. On-Line and Off line Directory.</p> <p>Industry Network and Events</p> <p>Increase referrals to Business Link and other support services</p> <p>Access to Finance and Funding</p>	<p>Indicators: CIP in place with Partnership Board meeting quarterly</p> <p>Measures: Annual internal review of activity. Biennial external review of effectiveness</p> <p>Review and monitoring of specific activities including:</p> <p>Indicators: Database on-line</p> <p>Measures: Targets achieved for business sign-up; targets for usage monitored; Regular on-line feedback from businesses</p> <p>Indicators: Network/s in place Monthly network meetings</p> <p>Measures: Industry network targets delivered; industry attendance monitored and targets achieved; Internal collection of data against objectives; external review of effectiveness of networks (Industry Survey/Face to Face contact)</p> <p>Indicators: Agreement on monitoring in place between BL and CIP/NSCEF Baseline referrals to Business Link established (2006/2007; 2007/2008);</p>
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	<p>Showcasing Events and Regional Trade Missions</p>	<p>Measures: Targets established for increase in referrals and monitored by BL and CIP.</p> <p>Indicators: Access to Finance route map in place New products in development locally and regionally</p> <p>Measures: Regular survey (on-line) of businesses to establish take up of finance opportunities;</p> <p>Indicators: Number of showcase/trade mission events planned and delivered per annum</p> <p>Measures: Internal collection of data; External review and evaluation of events and trade missions;</p>
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Strategy	Actions	Evaluation
<p><b>Develop and Connect</b></p> <p><b>Planning Gain for a Creative Dividend</b></p> <p><b>- Linked Hubs</b></p>	<p><b>Strategic Engagement of Creative Enterprise with Regeneration Market</b></p> <p><b>Innovative Section 106</b> – provide a cultural/digital dividend for investment in sector – Digital Connectivity/Workspace</p> <p><b>Develop North Staffs Creative Axis.</b> Burslem, Hanley and Longton have a critical mass of Workspace and CI activity. Newcastle will</p>	<p>Indicators: Research into planning gain opportunities undertaken. Strategy in place.</p> <p>Measures: Number of creative sector projects financed or levered in through planning gain. Annual returns from planning department of 106 notices</p> <p>Indicators: Hubs in place in</p>

<p><b>- Cultural Quarter</b></p> <p><b>- Participative 3D Modelling</b></p> <p><b>- Show Home</b></p> <p><b>Art Spaces – programmed installations</b></p>	<p>have soon. These hubs to be linked through on and off line activity – a KTN, Events, Networks, and collaborative projects.</p> <p><b>Cultural Quarter</b> – Space for Experimentation for Visual Culture. Linked to and focus of Strategy for 24/7 Art in the Environment</p> <p><b>Virtual Stoke</b> On-line re-imagining of the City Centre using existing 3D model.</p> <p>Show homes kitted out with the best of locally produced Art and Design</p> <p>Programme of Animation of Redundant Spaces in town and city centres</p>	<p>different parts of the region. Activities taking place in hubs and linking businesses and activities between hubs.</p> <p>Measures: As with CIP services.</p> <p>Indicators: New space available for visual arts activity. Art in the Environment Strategy in place and includes Visual Culture strand.</p> <p>Measures: To be set out in the Art in the Environment Strategy</p> <p>Indicators: 3D model in place</p> <p>Measures: Quantity of participatory use. Measured by on-line activity and on-line survey of participants. Quantity and value of positive PR generated local, regional and nationally by the project.</p> <p>Indicators: Show home kitted out with best of locally produced art and design.</p> <p>Measures: Volume of sales and commissions generated by the project in first 3 years. Survey of producers exhibiting in and networked to the Show Home project.</p>
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		<p>Indicators: Short licences of vacant properties let to artists, arts organisations, creative entrepreneur for animation programmes.</p>
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<p><b>Reposition North Staffordshire as a Centre for Creative Excellence.</b> Improving on and building a positive image locally, regionally and nationally for the North Staffs area and attracting new businesses to the area.</p> <p>Industry Communications</p>	<p><b>Creative Heroes</b> project. Cross media narratives of N Staffs creative entrepreneurs – James Brindley, Wedgwood, Doulton, Claris Cliffe, Lisa Moorcroft, Sean Magher, Slash.</p> <p>On-Line Off Line Directory 'Creative Stoke' Portal</p> <p><b>North Staffs Locations Service.</b> Image bank and intelligence service for film and TV companies wishing to work in North Staffs</p> <p><b>Creative Times</b> – Quarterly Publication for</p>	<p>Indicators: Creative heroes project in place</p> <p>Measures: Volume of positive Media/PR stories generated by the project</p> <p>Indicators: Creative Stoke portal redeveloped and operational</p> <p>Measures: Volume of traffic to site Level of Membership sign-up Quantity of membership relationships developed On-line feedback from members and visitors</p> <p>Indicators: Locations service established. Image bank in place</p> <p>Measures: Volume of and value of film, TV, advertising, promo work taking place in N Staffs. Percentage of production and post production budget spent in the local economy.</p>
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<p>Develop Audience and Consumers</p>	<p>North Staffordshire Creative and Digital Industries</p> <p>Audience WM to get area Action Plan to develop audiences</p>	<p>Data collected by Locations Service as part of service agreement in exchange for free location service.</p> <p>Indicators: Creative Times established and in circulation</p> <p>Measures: Industry usage (advertising, editorial) Industry feedback (readership surveys as part of wider industry surveys)</p> <p>Indicators: Audience development plan in place</p> <p>Measures: Defined as part of the Action Plan process</p>
<p>Build Capacity and raise standards for training and business support.</p> <p>Building the capacity of emerging and existing businesses to grow in the creative economy:</p> <ul style="list-style-type: none"> <li>- Business Support</li> <li>- Skills Development</li> </ul>	<p><b>Training the Trainers</b></p> <p><b>Coordinated IDB</b></p> <p><b>Kite Mark Business Support?</b></p> <p><b>CPD Training Vouchers</b> to be redeemed against training?</p> <p><b>Capacity Building and Brokerage</b></p>	<p>Indicators: Delivery of initial phase of training as part of Strategy and Development programme</p> <p>Measures: Objective-led training with built in measurement of progress. Review of training effectiveness</p> <p>Indicators and Measures: As CIP measures</p>

<p>- Access to Finance</p>		
<p>Upgrade course content and delivery to best practice in U and overseas.</p> <p>Strategic review of course content and delivery</p>	<p>Compulsory Enterprise Modules on ALL creative Courses.</p> <p>Continued investment in Cross Sector Placements</p> <p>Lecturer CPD</p>	<p>Indicators: Updated course content New CPD content developed</p> <p>Measures to be put in place by Universities in partnership with the CIP</p>
<p>Contributing to the potential for businesses in the creative economy to develop and expand their market potential locally, nationally and internationally through:</p> <ul style="list-style-type: none"> <li>- Public Sector Procurement</li> <li>- Audience and Market Development</li> </ul>	<p><b>CI Partnership</b> –better, more structured engagement with Business Link, UKTI, Increase Profile of Creative Enterprises and Cultural Production.</p> <p><b>Pro-Active procurement of local Creative Services</b></p> <p><b>Area Focus for Audience WM</b></p>	<p>Indicators and Measures: As CIP</p>
<p>Create an ecology for Enterprise Growth – bigger, better, smarter businesses</p>	<p><b>Improved graduate retention in North Staffs</b></p>	<p>Indicators: Graduate retention programme in place</p> <p>Measures: Quantity of companies employing graduates</p>
<p>Engage in a systematic programme of cultural literacy from 12 Yr upwards.</p>	<p><b>CP activity extended in Schools.</b></p> <p><b>NSRP Cultural passport</b> – free access to cultural visit, event, practice each term for all kids in North Staffs</p>	<p>Indicators: Continuing CP programme impacting on wider number of pupils</p> <p>Measures: Internal CP measures</p>

<p>Get a Centre of Excellence for Vocational Training</p> <p>Participate in Regional and National Initiatives</p>	<p>Creative Industry Strand Built into <b>Enterprise in Schools</b> Programme</p> <p><b>COVE for CIs</b></p> <p><b>NOISE Festival</b></p>	<p>Indicator: COVE in development with local college/s</p>
<p>Plug in and develop Stoke as place for experimentation and risk.</p>	<p><b>On and Off-line Knowledge Transfer Network</b></p> <p>Be the First City to develop hub for new BERR (Dti) CDI KTN. Open source technology provides space for knowledge exchange for technology, digital and creative business.</p>	<p>Indicators and Measures: As networking above</p>

## APPENDIX 2

### Creative Industries SIC Codes

SIC Codes and Percentage Scaling for the Creative Industries Sector

1711 : Preparation and spinning of cotton-type fibres	0.50%
1712 : Preparation and spinning of woollen-type fibres	0.50%
1810 : Manufacture of leather clothes	0.50%
1821 : Manufacture of workwear	0.50%
1822 : Manufacture of other outerwear	0.50%
1823 : Manufacture of underwear	0.50%
1824 : Manufacture of other wearing apparel and accessories not elsewhere classified	0.50%
1830 : Dressing and dyeing of fur; manufacture of articles of fur	0.50%
1930 : Manufacture of footwear	0.50%
2211 : Publishing of books	100.00%
2212 : Publishing of newspapers	100.00%
2213 : Publishing of journals and periodicals	100.00%
2214 : Publishing of sound recordings	100.00%
2215 : Other publishing	100.00%
2221 : Printing of newspapers	100.00%
2223 : Bookbinding	100.00%
2224 : Pre-press activities	100.00%
2231 : Reproduction of sound recording	33.00%
2232 : Reproduction of video recording	33.00%
2233 : Reproduction of computer media	25.00%
2464 : Manufacture photographic chemical material	100.00%
2465 : Manufacture of prepared unrecorded media	25.00%
3210 : Manufacture of electronic valves and tubes and other electronic components	100.00%
3220 : Manufacture of television and radio transmitters and apparatus for line telephony and line telegraphy	50.00%
3230 : Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods	100.00%
3340 : Manufacture of optical instruments and photographic equipment	50.00%
3630 : Manufacture of musical instruments	100.00%
5143 : Wholesale of electrical household appliances and radio and television goods	5.00%
5147 : Wholesale of other household goods	5.00%
5248 : Other retail sale in specialised stores	5.00%
5250 : Retail sale of second-hand goods in stores	5.00%
7222 : Other software consultancy and supply	10.00%
7420 : Architectural and engineering activities and related technical consultancy	50.00%
7440 : Advertising	100.00%
7481 : Photographic activities	25.00%
7487 : Other business activities not elsewhere classified	5.00%
9211 : Motion picture and video production	100.00%
9212 : Motion picture and video distribution	100.00%
9213 : Motion picture projection	100.00%
9220 : Radio and television activities	100.00%
9231 : Artistic and literary creation and interpretation	100.00%
9232 : Operation of arts facilities	100.00%
9234 : Other entertainment activities not elsewhere classified	50.00%
9240 : News agency activities	100.00%
9272 : Other recreational activities not elsewhere classified	10.00%

### **Creative Industries Sample:**

#### SIC Codes with 100% Creative Industries Scaling

- 2211 : Publishing of books
- 2212 : Publishing of newspapers
- 2213 : Publishing of journals and periodicals
- 2214 : Publishing of sound recordings
- 2215 : Other publishing
- 2221 : Printing of newspapers
- 2223 : Bookbinding
- 2224 : Pre-press activities
- 2464 : Manufacture photographic chemical material
- 3210 : Manufacture of electronic valves and tubes and other electronic components
- 3230 : Manufacture of television and radio receivers, sound or video recording or reproducing apparatus and associated goods
- 3630 : Manufacture of musical instruments
- 7440 : Advertising
- 9211 : Motion picture and video production
- 9212 : Motion picture and video distribution
- 9213 : Motion picture projection
- 9220 : Radio and television activities
- 9231 : Artistic and literary creation and interpretation
- 9232 : Operation of arts facilities
- 9240 : News agency activities

### **Ceramics Sector SIC Codes**

- 2621 : Manufacture of ceramic household and ornamental articles
- 2622 : Manufacture of ceramic sanitary fixtures
- 2623 : Manufacture of ceramic insulators and insulating fittings
- 2624 : Manufacture of other technical ceramic products
- 2625 : Manufacture of other ceramic products
- 2626 : Manufacture of refractory ceramic products
- 2630 : Manufacture of ceramic tiles and flags
- 2640 : Manufacture of bricks, tiles and construction products, in baked clay

## **Appendix 3: North Staffordshire Creative Industries Survey: October 2007**

Survey of 150 creative enterprises located in the North Staffs area. Survey undertaken by 20-minute telephone interview.

The survey breaks down responses by businesses in Stoke, Newcastle-under-Lyme and Staffs Moorlands local authority areas. This initial analysis is by North Staffs as a whole.

The survey was undertaken using a database of 474 business contacts derived from a Stoke City Council database and additional contacts from Experian's Prospect Locator database (National Business Database).

### **1. RETURNS**

The returns ratio was 1:3.16

#### **Local Authority Profile:**

The breakdown of contacts across authorities was:

Stoke-on-Trent	253
Staffordshire Moorlands	55
Newcastle under Lyme	87
Unclassified	79

The returns were:

Stoke-on-Trent	90 (60%)
Staffordshire Moorlands	33 (22%)
Newcastle-under-Lyme	27 (18%)

#### **Ethnic Origin:**

Of the 150 returns, 148 self-classified as White (98.66%), 1 preferred not to say (0.67%) and 1 self-classified as Asian (Pakistani) (0.67%).

White (98.66%)  
Asian Pakistani (0.67%)  
Other (0.67%)

Ethnic profile of North Staffordshire by population (1991 Census) is:

White (96.6%)  
Asian Pakistani (1.4%)  
Indian (0.4%)  
African Caribbean (0.2%)  
Other (1.4%)

## 2. BUSINESS PROFILE

### By sub-sector:

The sub-sector profile of respondents was:

Visual Arts	26%
Design	11%
Music	11%
Performing Arts	8%
Film & Video	5%
Crafts	5%
Advertising	4%
Software	3%
Other sub-sectors	6%
Unclassified	21%

### By business type:

Sole traders	56%
Private Ltd Co.	28%
Partnership	11%
Not-for-profit	3%
Other (LLP, CIC)	2%

### Length of time trading:

Range 1-200; Mean 13.98; Mode 2

1 yr	8.67%
2 yr	14.67%
3 yr	8.00%
4-10	28.67%
11-50	37.33%
50 or more	2.67%

Length of time in North Staffs: Range 1-200; Mean 13.27; Mode 2  
91% of businesses surveyed have been trading in North Staffs for the lifetime of the business.

Number of employees: 1105 (149 responses)  
Average employees per enterprise is 7.42 with a range between 0 and 500.

Number of freelancers used in past 12 months: 351 (149 responses)  
Average number of temporary and freelance contracts let in the past 12 months is 2.36 per enterprise with a range between 1 and 80.

### By turnover size:

Of the respondents, 25% (38) either refused or don't know the company turnover. Of the balance of respondents (112), the majority of businesses in the survey are in 3 turnover size bands:

Up to £5k	22 (15%)
£10-25k	19 (13%)
£50-100k	18 (12%)

Significantly, 19 businesses (13%) are in the £100-500k size bands with 4 (3%) in the £500k-1m. Nine (9) businesses (6%) have turnover in excess of £1million including 3 businesses turning over in excess of £10 million.

A number of businesses included in the survey were from the ceramics manufacturing sector. The turnover figures need to be cross-referenced with individual businesses to test the occurrence of high levels of turnover being attributed to ceramics related manufacturers rather than the core creative industries.

### **3. LOCATION**

84% enterprises have always traded in North Staffs and 16% have traded elsewhere.

Of those previously trading elsewhere, the areas they relocated from were:

West Midlands	40%
North West	20%
South East	15%
Elsewhere in the UK	25%

The primary reasons for company locations in the North Staffs area are:

Close to where owner/manager lives	49%
Close to customers	9%
Inexpensive location	8%
A good work environment	7%
Good transport links	6%
Availability of business premises	3%
Other factors	13%
Don't know	5%

### **4. INCOME & SALES**

Of the businesses surveyed, 83% derive all their income from commercial activity with 17% receiving some public sector grants.

#### **Markets:**

The largest market for sales amongst the respondents is North Staffordshire (55%) with substantially lower levels of sales from the Midlands (9%), London & the South East (6%) and North of England (3%) with the rest of the UK figuring with relatively high levels of sales (21%). International sales account for a relatively small portion of sales with 6% of the market.

## **Growth and decline:**

Over the past year, 47% of businesses increased their sales income and 31% stayed roughly the same. 19% of businesses sales income decreased over the period. A small percentage was start-ups and provided no returns.

In contrast, the sample businesses are optimistic about the immediate future with 69% predicting growth over the next 5 years, 23% expecting to stay the same and a small percentage (5%) predicting a decrease in sales over the same period. 3% did not respond.

## **5. PREMISES/WORKSPACE**

### **Workspace usage:**

The majority of respondents currently occupy relatively small workspace units with 64% in units of 500 sq ft or less. This corresponds with the relative size of businesses in the sample with 56% of respondents being sole traders.

The results for business premise size are:

Less than 100 q ft:	45%
101-500 sq ft	19%
501-1000 sq ft	12%
1001-2000 sq ft	8%
2001-5000 sq ft	7%
More than 5000 sq ft	9%

Respondents expectations of increasing the size of their business premises over the next few years shows some movement out of the smallest business unit size into the next size band and some increase in requirements for premises at the larger end of the scale, notably into the 2001-5000 sq ft size band:

Requirements	in	the	next	5	years:
Less than 100 q ft:	39%				
101-500 sq ft	22%				
501-1000 sq ft	12%				
1001-2000 sq ft	8%				
2001-5000 sq ft	9%				
More than 5000 sq ft	10%				

22% of the sample, plan to move business premises in the next few years with a significantly higher percentage of businesses based in Newcastle-under-Lyme (33%) planning to move.

## **6. PROSPECTS & BUSINESS SUPPORT**

In terms of formal organisational plans, a high percentage of the respondents (93%) have a formal business plan. However, only 60 of the sample responded to this question indicating that only 37% of the sample actually has a formal business plan. Once the figures are adjusted the

level of formal documentation amongst the businesses is quite low as follows:

Formal business plan	37%
Marketing plan	23%
New product development plan	10%
Market development plan	11%
Training plan	7%

### **Business support:**

Over the past 5 years, the most frequent providers of business support to the sample have been Business Link and FE and HE colleges. Of a total of 82 respondents to this question, 51% had used Business Link and 52% has used an FE or HE institution.

Of these the majority had sought business advice (51%), followed by professional development/training (48%), Information (25%), Finance (15%) and Mentoring (15%).

### **Barriers to growth:**

The most frequently reported barriers to growth amongst these businesses are Access to Finance (25%) followed by Limited Markets for goods and services (24%).

Other significant barriers to growth are reported as Attracting and retaining skilled staff (11%), appropriate business premises (9%) and an underdeveloped creative and cultural infrastructure (8%).

Six per cent (6% or 9 businesses) reported that there are NO barriers to growth.

Geographic location and Suitable business networks are not considered as primary barriers to growth by the vast majority of businesses although they are considered a factor in general by 15% and 30% of the sample respectively.

## **7. VARIATIONS ACROSS LOCAL AUTHORITIES**

The variations between businesses across the three local authorities are relatively minor with the exception of the following areas:

Businesses in Newcastle receive lower levels of public subsidy (11%) than either Stoke (18%) or Staffs Moorlands (15%).

Looking at recent turnover and turnover predictions, businesses in all three areas report increases in sales income over the past year of around 46% (slightly higher in Newcastle at 48%) with the highest level in decrease in sales income in Staffs Moorlands (24%) compared to 11% in Newcastle. Future prospects amongst all businesses look reasonable with

82% of businesses in Newcastle predicting growth against an average of 69% and no businesses predicting a decrease in sales in Newcastle compared to 3% in Stoke and 12% in Staffs Moorlands.

Significant barriers to future growth are relatively similar across all three local authorities with some minor variations. For example, more businesses in Staffs Moorlands (15%) reported issues around appropriate businesses premises compared to 8% in Stoke and 4% in Newcastle.

Businesses in Newcastle reported the highest usage of Business Link as a source of business advice and support (67%) compared to 50% of businesses in Staffs Moorlands and 49% in Stoke.

## Appendix 4: Consultees List

### Stakeholder Interviews

Contact	Company/Organisation
<b>Tom McCartney</b>	North Staffordshire Regeneration Partnership
<b>David Mather</b>	Stoke-on-Trent City Council/NSRP
<b>Cllr Mervin Smith</b>	Stoke-on-Trent City Council
<b>Cllr Hazel Lyth</b>	Stoke-on-Trent City Council
<b>Julie Grant</b>	Plink Fizz (NSRP Chair Enterprise and Innovation Group)
<b>Andrew Briggs</b>	Hothouse
<b>Rachel Watts</b>	Stoke-on-Trent City Council
<b>Mick Downs</b>	Urban Vision
<b>Christine Bridgewood</b>	Creative Partnerships
<b>Shaun Magher</b>	SMA
<b>James Capper</b>	Stoke-on-Trent City Council/NSRP
<b>Alex Jones</b>	The Work Foundation
<b>Peter Carroll</b>	The Work Foundation
<b>Cath Ralph</b>	Burslem School of Art
<b>Lou Reynolds</b>	Staffordshire University
<b>Malcolm Newman</b>	Staffordshire University: University Quarter
<b>Kath James</b>	Arts Council England West Midlands
<b>Ian Danby</b>	Arts Council England West Midlands
<b>Lara Ratnaraja</b>	Business Link West Midlands
<b>Gavin Willetts</b>	Culture West Midlands
<b>Susie Norton</b>	Screen West Midlands
<b>Kim Graham</b>	Newcastle Borough Council
<b>Elaine Burgess</b>	Newcastle Borough Council
<b>Deborah Niclin</b>	Staffordshire Moorlands District Council
<b>Clare Filer</b>	Staffordshire Moorlands District Council
<b>Ken Barnes</b>	Ceramics Industry Forum
<b>Geoff Riley,</b>	Business Innovation Centre
<b>Colin Hunton</b>	Stoke-on-Trent City Council
<b>Mark Nixon</b>	Living Glaze
<b>David Furmage</b>	Advantage West Midlands
<b>Mike Barton</b>	Advantage West Midlands
<b>Sue Tabenor</b>	Staffordshire University Creative Village
<b>Val Mckenzie</b>	Staffordshire University Business Village
<b>Carolyn Powell</b>	Bizz Fizz
<b>Sara Austin</b>	Axis Festival
<b>Graham Rawle</b>	Consultant
<b>Peta Murphy-Burke</b>	Stoke-on-Trent City Council/NSRP
<b>Peter Courtie</b>	Stoke-on-Trent City Council/NSRP
<b>Hilary Hughes</b>	B Arts
<b>Susan Clarke</b>	B Arts
<b>Jeff Jarvis</b>	Consultant

## Workshop Participants

<b>Emma Wright</b>
<b>John Webb</b>
<b>Pete Coffey</b>
<b>Erica Love</b>
<b>Charles Bartholomew</b>
<b>Rob Pointon</b>
<b>Clare White</b>
<b>Karen Sayle</b>
<b>Denise O'Sullivan</b>
<b>David Chatton</b>
<b>Anne Watkins</b>
<b>Jo Jones</b>
<b>Darren Teale</b>
<b>Jason Conway</b>
<b>Marina Hussein</b>
<b>Sharon Parkes</b>
<b>Verity Hilton</b>
<b>Simon Bamford</b>
<b>Barry Felton</b>
<b>Steve Dean</b>
<b>Pete Courtie</b>
<b>Peta Murphy Burke</b>
<b>Andrew Briggs</b>
<b>Cath Ralph</b>
<b>Sandra Butterworth</b>
<b>Gregor Greaves</b>
<b>Debra Smith</b>
<b>James Albins</b>
<b>Alesha Morrison</b>
<b>Samantha Knight</b>
<b>Iona Makiola</b>
<b>Charlie Gadjia</b>
<b>Sean Bradley</b>
<b>Amy Chapman</b>