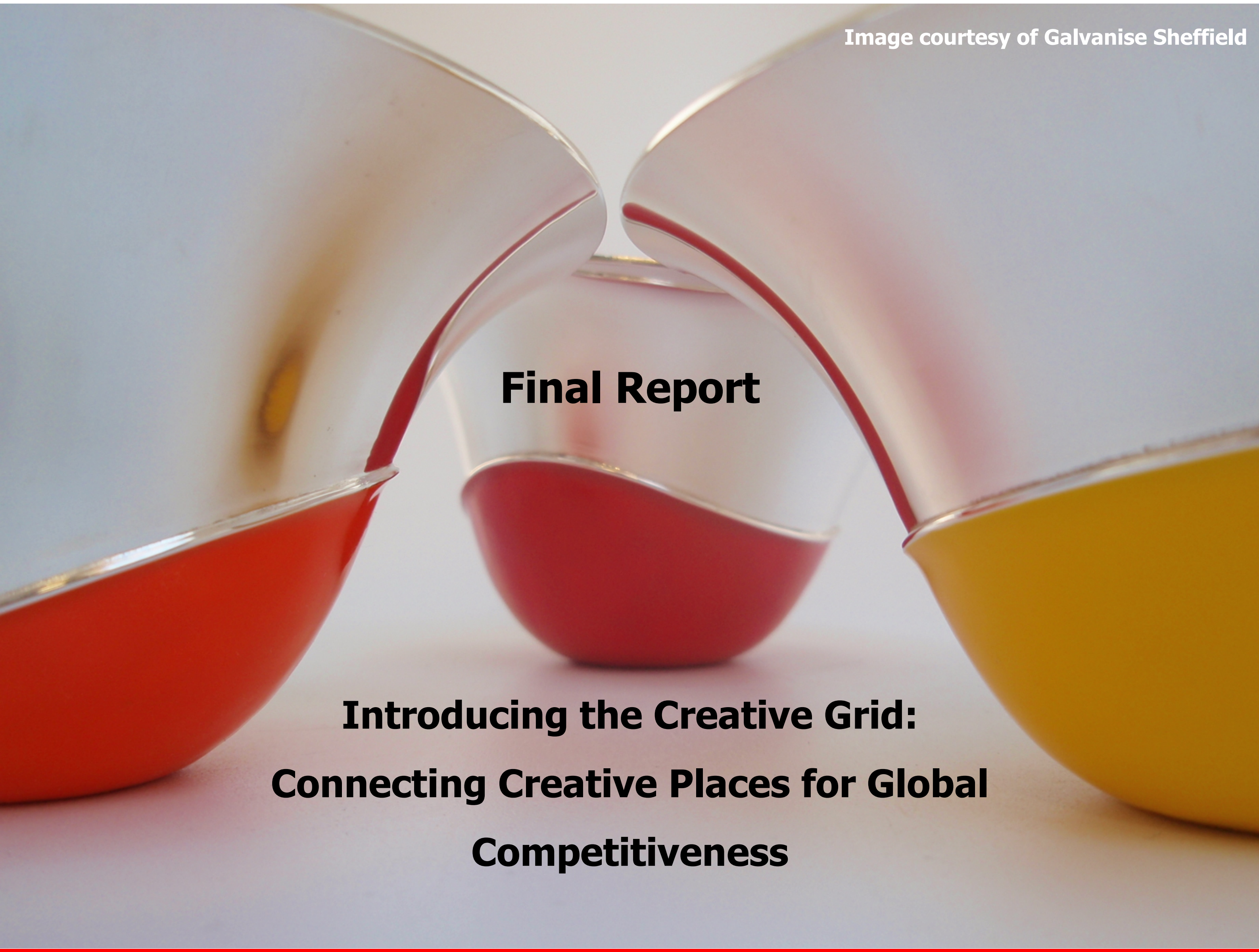
DCMS Creative Economy Programme: Infrastructure Working Group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Final Report

Introducing the Creative Grid: Connecting Creative Places for Global Competitiveness

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Repositioning Cultural and Creative Infrastructure: A Creative Grid for UK Competitiveness and Growth

Executive Summary

This brief document provides an overview of the key themes and recommendations from the Creative Economy Programme Infrastructure Working Group. It will be followed by a set of 2 proposed Briefs which will offer a detailed overview of 2 of the core policy recommendations from the Infrastructure Working Group:

- The Creative Grid
- The 10 Infrastructural Conditions for competitiveness and growth

This document introduces a set of essential and actionable ways forward to maximise the UK's cultural and creative infrastructure offer as a key driver for creative competitiveness and growth. These ways forward are encapsulated in the **Creative Grid.** The Creative Grid represents a new way to connect our creative asset base, broker and coordinate new relationships and partnerships, provide vital market-driven intelligence, in order to give the UK a competitive edge as the **knowledge broker of the global creative economy.**

The Creative Grid and its component parts provides targeted policy recommendations through the following three main themes:

- Global Competitiveness: Our creative critical mass and knowledge advantage is based around the connectivity of concentrations of infrastructure and activity seen most prominently in Core Places (including our Core Cities) – those centres of existing or emerging critical mass; in London; and the South East. A key challenge is to focus these assets outwards – across and between regions and towards global markets and partners – to ensure the UK is recognised as a global creative leader.

- Convergence: It is in the connectivity of these concentrations of infrastructure and activity that ideas are shared, that technology meets content, that culture meets commerce. A key challenge is to build effective links between different parts of the creative value chain and across traditional sectoral, institutional and locational boundaries.

- Stimulation: Progressive creative senses of place are formed, and creative people are stimulated, by connectivity of concentrations of infrastructure and activity. A key challenge is to position cultural and creative infrastructure at the heart of place and community, which will allow our cities and regions to flourish as creative hubs that work collectively and with London and the South East for UK creative competitiveness.

For the UK to operate as a high growth, competitive, global leader in the creative economy, the development of a highly connected fabric of cultural and creative infrastructure is required. This is a critical time for the UK, with the BRIC economies of Brazil, Russia, India and China starting to establish strong creative industries sectors and building enormous markets. If the UK is to retain its long-held competitive advantage in creativity, it needs to reposition itself as the knowledge broker of the global creative economy, using our knowledge and intelligence to *take the high ground* and build effective global creative partnerships and trading relationships. The Creative Grid provides this connectivity by channelling sector intelligence, building partnerships and networks, and projecting our combined cultural and creative asset base towards growth and competitive advantage.

The Creative Grid has 3 major elements, each of which carries a set of straightforward, achievable policy recommendations:

GRID FEATURE 1: A WEB-BASED INTELLIGENCE SERVICE
This is ***the*** portal for the UK's creative economy. Pending further feasibility testing, it provides the infrastructure map for the entire UK creative sector. It shows the points of connection and overlap of different units of infrastructure. It showcases the infrastructure offer of specific places, driven by the networks being fostered in Core Places and their wider regions, and emphasising connections between these places and to London. It provides an intelligence service that highlights key new research findings undertaken across the UK. It is THE TOOL that provides creative businesses with competitive advantage and attracts foreign markets to the UK Creative offer.

GRID FEATURE 2: CENTRAL GOVERNMENT and CORE PLACES CREATIVITY WORKING GROUPS
To ensure that culture and creativity are afforded the strategic position their significance requires, it is recognised that at a national level, a Cross-departmental Creativity Working Group be established. This will be the primary policy connector for creativity, ensuring that for every policy area, the following questions are asked: "What is the role of creativity?"; "What is the creative dividend?". This will explore opportunities for convergence and mainstreaming creativity. It might be more practical for targeted policy-specific Groups to be established (rather than one overarching Executive) – with a focus on finance growth, IPR etc. This will ensure a practical and policy delivery focus is paramount. In addition, a Core Places Creativity Executive should be established – building on the existing RDA Creative Industries Group, with a role to report to the above Group. This will focus on connecting regions' and cities' infrastructure and building joint infrastructure offers as a way of achieving critical mass. It will also focus on improving connectivity between Core Places and their wider regions – including rural areas. It will be tasked with progressing connectivity and undertaking joint inter-city/region creative economy programmes.

GRID FEATURE 3: CREATIVE CONNECTOR PROJECTS

A: Developing Creative Milieu in Creative Places – Convergence and Stimulation

Applying the 10 Infrastructural Conditions for Creative Growth and Competitiveness to every Core Place – those centres of critical mass and concentration - and their wider regions. This is a means of testing the strength of specific places in their contribution to the UK Creative Economy and identifying investment and support priorities that will allow specific places to grow their creative economy and contribute more significantly to the national offer.

Creativity Towers: New models for establishing concentrations of specialist creative workspace and activity space as core components of new developments. These should prioritise affordability, flexibility, high quality design, and connectivity to the wider fabric of infrastructure.

The Octagon: A workspace, activity, and network facility for the regions and their core places, and for London/SE. It has eight workspace areas – one for each region; connected together through network and showcase space.

Design Creativity In: Connect infrastructure more effectively through local infrastructure maps, through 'Legible City' projects, and through spaces that allow the sector to imprint its own identity. A series of projects across the Core Places should be introduced – in the spirit of the Mayor of London's 100 Public Spaces Programme. T

B: A Ready Supply of Talent – Global Competitiveness and Convergence

Knowledge Transfer, Exchange and Incubation: A Programme of Creative Knowledge Exchange projects to re-tool universities and colleges to become more porous and flexible, ensuring cross-departmental approaches to creativity research, stronger support for entrepreneurialism and commercialisation pre- and post-graduation, and the use of the city as the creative laboratory.

Advance connectivity between learning and skills providers and support Trade Associations to build their intelligence base: Through the Grid's Web Intelligence Service and a Creativity Top 500 to showcase talent.

C: Acting Global: The World's Creative Broker

The World Creative Forum: The UK host an annual World Creative Forum that stages our role as the world's creative knowledge broker and builds on the existing development work undertaken by 2 previous events in London. This will operate in a similar way to the World Economic Forum in Davos, Switzerland, which projects Switzerland as the honest brokers of economic cooperation and development. It will feature the UK's expertise as a *world leader in creative knowledge.*

Targeted and Coordinated Outward and Inward Missions to/from BRIC countries and Other Key Territories: A national programme be established and branded to build a far stronger creativity offer to emerging partners and competitors. This will include the coordination of the festival offer – linking the UK's major creative events through a coordinated offer.

Section 1 of this document introduces the significance of place as the main driver of creativity in the UK. It is through the connectivity of specific infrastructural conditions in specific places that the creative industries gains its stimulation, inspiration, ideas and confidence; and it is through a direct engagement with combinations of infrastructure in place that the sector accesses opportunities for convergence, innovative partnership, and ultimately, competitive advantage. In the UK such combinations of essential infrastructural conditions are concentrated most effectively in Core Places and London and the South East. The term 'Core Places' refers to the biggest cities (the Core Cities), which traditionally have been the major centres of creative production and consumption, plus a range of smaller places with a strong and distinctive role to play for a competitive UK creative economy. The term also applies to the wider city regions of Core Places, where it is paramount that the infrastructure offer of different places are better connected, both within and outside of a region. This allows partners to be flexible in prioritising the key regional centres for the Creative Economy, but it does urge a level of prioritisation and a focus on connectivity. This is because a successful UK creative economy requires high performing towns and cities, with a focus on specific Core Places 'leading the pack' through a strong and well-connected fabric of infrastructure.

10 key infrastructural conditions for creative growth and competitiveness *are introduced as essential components of a competitive creative city.* It is by ensuring that a *fabric of key infrastructural conditions* are available in each Core Place, and guaranteeing that this infrastructure is *effectively connected* within and between Core Places and their regions, and with and through London/SE, that the UK creative industries sector will gain its competitive advantage. Currently, infrastructure is under-connected and it does not work as effectively as it might to develop strong creative places. Moreover, the relationship between individual creative practitioners and businesses and cultural infrastructure is under-developed. It is by building a number of Core Places as tightly packed crucibles of creativity, by connecting them together, and by working with London/SE as the primary broker of UK creativity, that real growth and competitiveness will be achieved.

This requires a realistic understanding of the potential for different places to provide the infrastructure that generates creative industries growth. Put simply, in most cases it is the larger places (the Core Cities) and a small number of Core Places (such as Brighton, Bournemouth, Leicester, Norwich, Bradford, Chester, Coventry and Sunderland) – those with the best connected and greatest range of infrastructural conditions – that will cradle the most growth. This introduces a set of policy implications, where it makes sense to target infrastructure investment according to the type of growth that can be achieved by place.

Correspondingly, **Section 2 outlines the key opportunities for improving cultural and creative infrastructural conditions in line with the potential offered by place**. It focuses on Core Places in the Creative Economy. These have a distinctive role as major cultural places with a strong infrastructure base. It shows how:

- The infrastructure landscape within and between regions and Core Places is under-coordinated, with too much fragmentation, repetition and unnecessary competition

- The infrastructure offer does not provide for effective convergence, with underdeveloped connections between creative sub-sectors and with the wider economy

- The infrastructure does not mix opportunities for production and consumption, with functions such as workspace and retail space too often disconnected and thus not contributing to distinctive, animated and innovative creative landscapes

- The infrastructure is not positioned through a global competitiveness lens: markets and audiences are too often conceptualised as local, with low level appreciation of global potential or the ways infrastructure can facilitate a role for the UK as the global creative broker

- The UK's cultural and creative infrastructure is not personalised to the needs of creative individuals – it does not have the flexibility to engage with multiple career paths, aspirations, ways of learning, and cultural senses of place.

A set of case studies are used to show how cultural and creative infrastructure is being repositioned to maximise its positive value to the creative economy. Again the significance of place is emphasised: connecting infrastructure to allow for flexibility, convergence and critical mass in ways that are accessible and meaningful to creative individuals, businesses and their partners and markets.

Section 3 reintroduces the main policy recommendations of the Infrastructure Working Group. Key here is improving the connectivity between infrastructure and place and recognising that the value concentrated and connected infrastructure can provide far exceeds the value of individual, under-connected pieces of infrastructure – regardless of their individual quality.

1. Infrastructure and Place

For most sectors, location is a primary factor in determining comparative advantage and achieving growth and competitiveness. For the Creative Industries, location matters, but *place* is the major influence on growth and competitiveness. Place differs from location because it encapsulates a set of social, environmental and cultural factors in addition to locational factors such as distance to market and the availability of appropriate labour. Creative businesses develop and grow through place and in turn help to transform place. cultural and creative infrastructure – from a gallery to a university incubation project; from a museum to a specialist network initiative – contributes meaningfully to the combination of factors that comprise a Creative sense of place. It is the fabric of infrastructure available to Creative businesses that informs their Creative sense of place, which in turn affects their ability to innovate and grow. It is also the ways that infrastructure is connected together (through networks, co-location, a high quality public realm) as a single 'infrastructure offer' that influences the confidence and capacity of Creative businesses.

1.1 Introducing Place: The Asset Base of the UK Creative Economy

Urban policy makers have, for some time, shown an interest in the potential for creative industries to help revitalise and remake their cities and to provide a sustainable and high quality employment base. This is part of a wider debate about the move to 'knowledge economies' as vital sources of competitive advantage for urban economies. The Work Foundation, in its recent report on 'Ideopolis' (Work Foundation, 2006), summarises the now widely accepted argument that cities matter in the modern economy; offering businesses access to highly skilled workers, affluent consumers, and above all the ability to innovate and exchange ideas through face to face contact.

Cities and Core Places as Creative Industries Powerhouses

But there are also aspects of the creative industries – not least their symbiotic relationship with the urban milieu and their potential for spill-over into consumption and leisure industries (the Watershed in Bristol, Cornerhouse in Manchester or Showroom in Sheffield are all example of this) - that make them a particular focus for those concerned with the economic development of cities. It is not just that the creative industries sector is concentrated in the urban conurbations, but that much of its 'support infrastructure' is inseparable from that of the urban milieu. The things that contribute to a vibrant, creative local sector are part of the wider cultural assets of a city – its sense of identity, its record shops, its large and small venues, its libraries and book shops, its museums and galleries, its parks and open spaces, students and cafes.

Higher and further education in particular has a huge role to play in this – way beyond its function as the supplier of graduate labour. It forms a pivotal part of the network of people and institutions that underpin any knowledge economy and in their student populations, HE and FE institutions, provide a large and ready audience for cheap, often experimental, music, art, film and other creative and leisure industries. In short, a vibrant creative industries sector depends in part on all those things that contribute to a creative urban cultural milieu.

Core Cities and Core Places

Established in 1995, the City Councils of eight English regional cities (Bristol, Birmingham, Liverpool, Manchester, Nottingham, Leeds, Sheffield and Newcastle) began working together to set out a vision of the distinctive role that big cities must play in national and regional life. Established as a 'bottom up' initiative, by the cities themselves, the group is now a formalised entity working with Government to promote the role of cities and particularly city regions in economic growth. To this end, a joint working group on, 'Cities, Regions and Competitiveness, was set up by ODPM in 2002. These cities are recognised as:

- Sitting at the heart of the largest centres of population outside London.
- Having the largest economies and operating as the major drivers of their city regions
- As having existing social, economic and cultural infrastructure that exceeds other urban centres
- As under-performing relative to comparably sized cities in Western Europe

As outlined in the recent paper – 'A Century for Cities' – under-performing cities means an under-performing economy. This applies as much to the Creative Industries as other sectors and thus requires that we focus intensively on supporting our Core Cities to build on their existing infrastructure offer to become major creative economy cities that connect together and through London to become much more productive, globally orientated centres of creativity.

Core Places and Rural Areas

While the Core Cities are the key opportunity areas for a stronger, more connected UK Creative Economy, a number of smaller Core Places also have a major role to play. These are those recognisable centres of creative production and consumption such as Brighton, Norwich and Bournemouth/Poole; plus a range of up-and-coming places where growth-orientated Creative Industries activity could, if effectively connected into Core Cities and London/SE, play a positive contributing role to the UK Creative Economy. This includes cities such as Leicester, Derby, Southampton, Plymouth, Preston and Hull. It will be important to develop a more focused understanding of the infrastructure offer of the Core Places in each region and thus to establish a strategic approach to connecting assets, linking networks, and forging stronger relationships with Core Cities and London/SE.

In addition, rural areas also have a key role to play, but only if they are conceptualised in the Creative Economy as being 'of the city' – connected to the infrastructure offer of the cities and metropolitan in outlook and aspirations/potential for growth. This is a type of 'metropolitan creativity' - even though the location is eminently rural, connection to the infrastructure offer of urban areas is key for an effective contribution to a growth-orientated UK Creative Economy.

Creative and cultural assets can also help provide the amenities that *attract* knowledge workers to a city or region. The existence of cultural and creative amenities in a city, and a city's reputation for 'buzz', are one of the criteria which skilled labour may use when deciding where to live and work. Although the issue of knowledge worker mobility can be overplayed, it is important to remember the role of creative amenities in supporting talent *retention* as well as attraction, and in making the city a more interesting and inclusive city in which to live, thus contributing to its social sustainability. A relatively highly-developed economy, with tight labour markets, such as those found with the greater South East of England, cannot just compete by offering employment opportunities, important though those are. It needs to provide a high quality of life, a sense of community and of urbanity. The research in this area is embryonic and far from incontrovertible; but it does appear clear that, properly managed, culturally-led urban regeneration can have a role to play in helping develop cities and smaller places that are exiting to live and work in for all citizens.

Emerging Creative Cities: Our Core Creative Places

The role of creative industries and culture in regeneration means that they are now entwined in the regeneration plans of many cities such as Sheffield and Manchester. The models developed by UK cities have been much copied around the world, but within the UK and Europe, and particularly in economic terms, interest in 'city-regions' has grown as the 'reach' of cities has expanded. Many regional policymakers argue that the 'functional reach' of the city – determined by looking at travel to work, travel to services, leisure and education patterns - makes this the most appropriate level for governance, particularly as recent research shows that economically successful regions almost always have a prosperous city at their core. And given the tendency of the UK population not to migrate far in search of work, (only about 10 per cent of households move every year in England, of who only about 1 per cent move between regions[1]), the performance of the local city-region determines economic well-being for many.

Research carried out for ODPM[2] shows that small business, such as creative industries, rely heavily on supply chains from within their city region. Given the importance of informal, personal networks in developing these supply chains, the role of a city as 'a place to meet,' with a high quality built environment and an appropriate supply of workspace, remains crucial.

The geography of supply chains differs from sub-sector to sub-sector, with tight, personal networks in some cases being supplemented by looser, often international networks facilitated by digital technology, particular in sub-sectors like film or videogames. Public policy needs to support both and find ways of providing links between local milieu, the city-region, and London as the gateway to the global market. This requires a focus on developing infrastructure in those existing centres of critical mass – the Core Places and the city regions that connect them.

From this point forward, this report refers to the Core Places as the major centres of opportunity for a competitive UK Creative Economy; and it does this on the basis that they can only be retained as major centres through far more collaboration and connectivity with each other, with London/SE and with the wider, often rural, regional hinterlands.

1.2 Growth and Competitiveness: Prioritising Investment

Together with London, Core Places (connected through the Regions) are the key drivers of the UK creative economy. It is predominantly in the major cities and large towns that the fabric of cultural infrastructure required for competitiveness and growth reaches a level where it is sufficiently rich and strong. For many smaller towns, connectivity between infrastructure is key – as being developed through the Regional Cities East initiative – but the positive benefits of density, face-to-face networks and strong cultural milieu are hard to reach.

There are few locations outside London and the Core Places (the latter needs to be developed further as a concept – with the support of the RDAs) that have the following 10 key cultural infrastructure components required for knowledge-rich, highly connected, confident creative businesses. These are the **10 infrastructural conditions for creative industries growth and competitiveness. It is recommended that they provide the basis for a toolkit that tests the quality, capacity and links to the growth of the creative economy. It is also recommended they play a role in defining the additional Core Places that currently or may in the future play a major role in the UK Creative Economy. A Brief for this is being developed as an adjunct to this document:**

[1] Donovan, Pilch and Rubenstein (2002) Geographic Mobility, PIU Discussion paper (available at www.pm.gov.uk/output/page699.asp)

[2] A Framework for City Regions, ODPM, 2006

1. **World class, high profile cultural infrastructure** – such as galleries, museums, concert halls and events programmes. The wider the range of this infrastructure, the greater the competitive opportunities for the city's creative businesses.

2. **A wide range of specialist creative industries support services** with a focus on growth – such as business acceleration and investment programmes, high quality network initiatives, and continuous professional development. Vitally, such services support an existing dynamic creative industries sector.

3. **A wide range of specialist and accessible facilities for different parts of the creative industries** – such as through media centres, rehearsal space, studio space, and workspace. Crucial is affordability and accessibility – across the creative industries value chain.

4. **A strong and specialised Higher Education Sector**, with outward-facing knowledge transfer, incubation and convergence programmes, strong links across creative and non-creative sub-sectors, and a commitment to inter-departmental approaches to creativity. Key is building management and entrepreneurial skills for undergraduates and supporting them effectively into business creation.

5. **An innovative further and school education sector, plus a strong informal learning sector** – mainstreaming creativity, identifying positive career path opportunities, brokering mentoring programmes, and building confidence.

6. **Spaces of convergence and connectivity**, where creative knowledge workers can meet, exchange and build relationships towards ideas generation and trade. Key is the facilitation of ownership for these workers – allowing them to imprint their identity on the space so they can inhabit it on their own terms. The most successful spaces of convergence and connectivity – such as Cornerhouse in Manchester and Showroom in Sheffield – successfully broker new business relationships through the informal and exploratory ambiance they *allow to flourish.*

7. **Global partnerships and trade initiatives** – with the most effective focus based through the facilitation of business to business relationships and with the tone one of partnership above competition. Initiatives include the work of Creative London to engage with BRIC economies, and the North East region (focused through Newcastle as the Core City) working to forge trade and exchange with Nordic countries.

8. **Diversity advantage** – where complexly diverse communities are supported to project themselves as a major feature of the creative asset base of a place. Infrastructure that effectively provides spaces for exploring and promoting a city's diverse assets, such as through Midi Music in Deptford, or Watershed in Bristol (through its partnership work) are vital symbols and drivers of knowledge creation through diverse assets.

9. **Strong spaces of cultural consumption connecting spaces of production** – towards highly networked, high energy creative clusters where processes of cultural consumption are symbiotic with processes of cultural production. Such processes undertaken in such *places* breed innovation and in turn lead to competitive creative businesses capable of attracting the highest quality creative knowledge workers.

10. **Cultural Infrastructure at the centre** – where the above are recognised as central to the competitiveness of the creative economy, but also as crucial for growth and competitiveness in other sectors through the added value creativity brings, and for strong sustainable, confident and inclusive communities. This relates to

introducing infrastructure that maximises the value of the cultural and creative industries asset base.

London/SE and Core Places (including the Core Cities) most effectively provide the 10 infrastructural conditions for growth and competitiveness. The wider City Regions have a vital contributing role to play, but it is the fabric of infrastructure available in our urban heartlands – our creative cities – upon which UK creative growth and competitiveness is based. This has implications for how investment in cultural infrastructure is conceptualised and prioritised:

Recognising Where Growth is More Likely

If, as introduced above, it is London/SE and the Core Places that provide the greater proportion of 10 infrastructural conditions for growth and competitiveness, then it is Core Places and the connections between them and their regions that the focus for investment in cultural infrastructure must be placed. It is unlikely that a critical mass of growth and competitiveness-inducing infrastructure can be achieved outside of these locations. By extension, in London/SE and the Core Places:

- Firm size is larger because existing cultural infrastructure has allowed businesses to grow, has attracted incoming businesses and facilitated agglomeration, with supply chains particularly strong

- Convergence levels are higher, because networks are stronger, co-location of divergent activities is the dominant pattern, and larger numbers of businesses seek creative content and services

- Interfacing with other networks is more common – such as with business angels, IP lawyers and specialist support providers

- International connections are greater – or at least have greater potential – with trade and exchange patterns locked into the brand, currency and identity of the city – as defined through its cultural infrastructure

- Levels of innovation and growth are higher: connectivity, convergence, the availability of knowledge workers, and the stimulation offered by place, necessitate entrepreneurialism and encourage commercialisation

- There is greater availability of skilled creative talent, with the universities and peer to peer learning key.

This means that opportunities for building scaleable creative businesses – and lots of them – varies by place. This requires that national government and key delivery partners for the creative economy – principally the Regional Development Agencies – consider focusing their investment on supporting the type of growth that is achievable by location, rather than focusing on building for high level scalability in every context:

- Most creative businesses are small businesses and few have the potential to be truly scalable to beyond SME level. It is only in a small number of sub-sectors – such as media and software, where true scalability is possible. The wider creative industries sector gains most of its growth through many very small businesses growing to become larger small businesses, rather than small businesses growing into very large businesses. This can be interpreted as a strength, with a strong ecology of multiple connected small businesses as opposed to a dependence on larger, inflexible corporations. Therefore, 'high growth for all' is neither achievable or desirable – some growth for many is perhaps more advantageous for the overall creative economy.

- Small creative businesses are located in every context, with concentrations in London/SE and Core Places. Large creative businesses and those with the potential to become large are concentrated in London and the Inner-South East. This is due to in large part to the combination of infrastructural conditions – the critical mass – that allows high growth to occur.

- Core Places have infrastructural conditions that allow some growth-orientated creative businesses to become genuinely scaleable, but the breadth, depth and connectivity of infrastructure is not sufficient to allow rapid growth for many businesses. Current infrastructural conditions in the Core Places enable many small creative businesses to grow to levels slightly but not significantly larger than in other urban and rural locations.

- The infrastructural conditions of the Core Places and London/SE allow the multiple small creative businesses to gain their scale through value-chain agglomeration. This might be through the development of a film, television programme, theatre production, or design range. This is where the major growth opportunity lies for the creative economy: dense networks of creative SMEs growing together through new products and projects, with ever stronger relationships with the larger businesses – most of which are in London/SE.

There are **3 major policy implications** here for cultural infrastructure:

1. Outside of London/SE, investment in infrastructure should seek to support the multiple small creative businesses to work together more effectively – to agglomerate – and to establish convergence opportunities with other sectors such as Technology and Engineering. By working with creative businesses, such sectors have the potential to be far more competitive and scaleable – as outlined by the 2005 Cox review.

2. In the Core Places and their City Regions, investment in infrastructure should not target large creative business development or attraction unless the infrastructure is conceived as operating across more than one city. This is because the infrastructural conditions of single Core Places are unlikely to be sufficient to enable, attract and retain globally-orientated creative businesses with medium sized enterprise or large business potential. When positioned collectively, such as the BBC North infrastructure offer provided by the Core Places of the Northern Way, the potential exists to set their sights higher. The economies of the Core Places and the UK are set to benefit far more through a focus on growing ever greater numbers of competitive small creative businesses and driving this agenda through a network approach to nurturing the sector.

3. Infrastructure should be designed to build dense networks of cross-sub-sectoral creative Industries activity with the Core Places and London/SE as the locations of intensity and concentration. In the Core Places and their City Regions, the focus should be on supporting small creative businesses to grow their GVA and GDP, and to connect these businesses to businesses connected to global markets brokered predominantly but not exclusively by London/SE.

Regional Cities East

The East of England does not have a Core City that dominates Creative Industries production and consumption. As a response, six cities in the region - Peterborough, Luton, Ipswich, Norwich, Colchester and Southend-on-Sea - have formed Regional Cities East in the belief that by sharing best practice, collaborating on joint ventures and setting clear priorities, they can connect their infrastructure offer. They share a common belief - that medium sized cities can deliver economic growth through the Creative Industries in a sustainable way. And they face common challenges to improve infrastructure and skill levels. The group's activities include establishing networks for lifelong learning, enterprise hubs and knowledge transfer, as well as a strategic infrastructure programme of transport investment and sustainability initiatives. Culture and creativity sit at the heart of their collective offer as *Core Places networked together across the region.*

This requires that a joined-up and place-sensitive approach to cultural infrastructure should be supported – re-tooling Core Places through a focus on the 10 infrastructural conditions required for growth, building connection between places so they can provide a more significant infrastructure asset base to attract growth, and making much more effective links to London/SE – which will be advantaged through closer links to the infrastructure offer in the rest of the country. This is an approach to growth that embraces the role of place as a connector of infrastructural conditions, accepts the limitations of place, and recognises that the national creative economy will be more successful if the assets of different places are more closely connected.

In the Creative Industries, sector growth is composed of many small creative businesses growing slightly rather than a small number of creative businesses growing dramatically. Such a model is being developed by Creative Sheffield[3]. In Sheffield, core infrastructure assets such as the workspace and consumption provision of the Cultural Industries Quarter, Sheffield Theatres, the Universities, and the specialist business development programmes; are being situated as part of an overall infrastructure offer, and glued together through 'soft' and 'hard' infrastructure such as innovative network initiatives, a high quality public realm, and convergence programmes with other sectors such as engineering. Creative Sheffield is thus an approach that situates culture and creativity as the core resources for a transforming city, with cultural infrastructure reconceptualised as a connector and value-adder for growth and competitiveness *across the economy*. The task now for Sheffield is to continue to build its infrastructure conditions, connect more effectively to the infrastructure conditions of adjoining places and City Regions (e.g. across the South Yorkshire conurbation, regionally, and inter-regionally) and maximise the value of London/SE and other Core Places as a gateway to larger firms and markets, many of which are based overseas.

1.3 Individuals and Cultural infrastructure

The relationship between individuals working in the creative economy and publicly funded cultural and creative infrastructure contributes significantly to the development of creative places. This relationship can be characterised by two major themes:

- Firstly, the relationship is distinctly non-linear, marked by individuals moving in different directions throughout their careers depending on need.

- Secondly, it should be seen as positioned across a spectrum - ranging from formal structured relationships (courses and training), through to informal (networking events and inspiration).

There factors that influence the changing relationship between creative individuals and organisations include:

[3] See www.creativesheffield.co.uk

- **Digital technology** – Many more cultural organisations are opening themselves up via the internet through the type of scheme pioneered by Culture Online. Podcasting, interactive tours, instant performance downloads and interactive performances, are all examples of the type of personalisation now being pioneered by cultural organisations[4].

- **Third Spaces** – Thanks to the increasing uptake of Wi-fi technology and work moving out of the office, cultural organisations are increasingly capable of becoming the third space between work and home for creative individuals.

- **Branding** - Cultural consumption is something that creative individuals are disproportionately interested in. Leading cultural brands, such as the V&A, Tate, Sage Gateshead are able to market themselves as world-class brands and consequently relationships with individuals can be likened to the types of relationship that exist between individuals and any major corporate brand.

- **Internationalisation** – Just as working careers for creative individuals are becoming more international - if not in travel, then in concept and partnerships - so cultural organisations are mirroring this through exhibitions and tours. These often concentrate on the 'hot creative' areas of the planet such as China and India. Examples include the V&A and British Library's shows on China and the British Museum's recent show on Indian Art.

The typology of relationships

The relationships between creative individuals and cultural organisations can be mapped into the following typology:

Inspiration and influence

This is perhaps the most traditional, long lasting and constant of all relationships. Some cultural organisations, recognising the power of this relationship, have almost codified this part of their activity by seeing that recognising and rewarding this part of their role has mutual value. The V&A in London is a good example of an organisation that recognises and extracts multiple value from this relationship through publicity and support for developments or exhibitions:

> *"For all of us involved in fashion, design and the other creative industries, the V&A is a fantastic, vital and inspirational resource" (Vittorio Radice, [then] Chief Executive, M&S).*

Support and guidance

Support and guidance for creative individuals is now delivered by cultural organisations through a number of delivery platforms – including, increasingly, the internet. This guidance spans direct careers advice through to softer help with developing and nurturing creative skills. Arts organisations, such as Aldeburgh productions in Suffolk, have been pioneering the use of their facilities in creative residencies, while there have been a number of organisations that have developed online tools for creative applications. These include the Culture-online sponsored initiative - Web Design Challenge - which used the design skills and reputation of the Design Museum to help teach young people the art of creating effective websites.

Access to markets

Helping individuals to access markets through exhibitions, profile raising and international support, is not just limited to designer makers and fine-artists. Initiatives such as 'The Club' at the ICA, which has organised visit to India and China for a range of creative individuals, demonstrate the strength of this activity. The Arts Council's 'Blue Sky placements' scheme is partially based around the concept of helping artists to develop wider markets for their work in new, often, international contexts.

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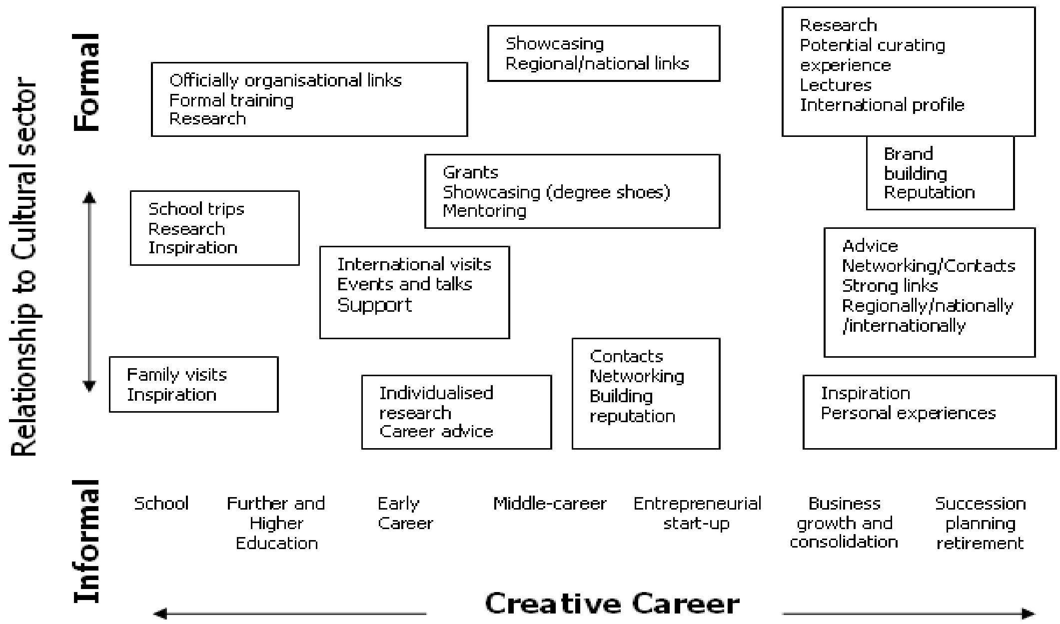
[4] See John Knell, Whose art is it anyway? Arts Council England, 2006.

Networking and peer learning
This relationship is characterised by the spread of informal and formal relationships that exist. At the most informal level, cultural assets remain hubs around which creative individuals congregate. Examples organisations that successfully exploit this range from The Lighthouse in Glasgow, which has a formal programme of engagement with creative practitioners; through to the very informal types of activity seen at regional centres such as North Devon Arts at Broomhill Sculpture Garden, which runs regular networking events for artists and non-artists.

The Diagram below shows both the types of relationship that creative individuals have with the cultural infrastructure but also the way that these can be mapped on a continuum between formal/informal. Crucial for creative individuals is they way they engage with cultural infrastructure through place: it is distinctive places that offer the concentration of infrastructure conditions through which a creative individual navigates over a career. Successful creative places are those that provide infrastructural conditions that allow for a flexible engagement from multiple individuals.

It is in the Core Places and London/SE that sufficient density and connectivity can be achieved; and it is through the *connectivity of these places* that creative individuals can build careers that utilise the flexible infrastructure offer of the whole of the UK. Currently, this connectivity isn't sufficient to give the UK the type of flexible infrastructure offer – the national critical mass – for true global competitiveness.

Individual careers and the cultural infrastructure:



2. Maximising the UK's Cultural infrastructure

Cultural infrastructure in the UK is not fulfilling its potential as a driver of the UK creative economy. This is because, while there are many examples of high quality infrastructure making a huge positive impact on agendas such as innovation, diversity, learning and skills and the visitor economy; agendas are not effectively connected, and the infrastructure offer is too fragmented. This is especially true of:

The infrastructure landscape within and between Regions and their Core Places is under-coordinated

Policy-makers have not traditionally 'read the landscape' in the same way as creative businesses. Creative businesses require connected, accessible, flexible infrastructure that provides them with stimulation, inspiration, practical skills, sector intelligence, trading opportunities and partnerships. This requires the concentration of infrastructure through place and the embedding of this infrastructure so that it starts to transform places into creative hubs. Currently, infrastructure is under-connected and 'pieces of infrastructure' are too often placed in isolation across the urban hierarchy. Co-location and connectivity of infrastructure is a key prerequisite for sector growth. This requires a commitment to building critical mass within Core Places, and connecting more effectively with each other and their wider Regions.

Watershed, Bristol

Watershed (www.watershed.co.uk) is a prime example of a highly connected, flexible, porous piece of cultural and creative infrastructure, of which there are too few examples. Watershed is more than just an arts cinema. It is at once a cultural centre, a business broker, a social networker, a research and innovation facility, a café/bar, and a cultural tourist attraction. This is because it has developed organically over the years to become totally embedded in place, operating as a shining light on Bristol's culturally rich harbourside, connected as part of the wider cultural offer of this distinct milieu (which includes Arnolfini gallery, Bristol Industrial Museum, @Bristol, Bristol Cathedral, the City Library, and a real mix of retail and other consumption spaces). Watershed, as part of this milieu, has become the cultural space of choice for many of Bristol's creative practitioners and businesses. This is because they have been able to make it their own and imprint their distinctive senses of identity and place upon the flexible and accessible spaces such as the bar with wi-fi. In turn, it has become a key broker for innovation in creative businesses, building convergence through partnership projects with HP Labs, while at the same time providing new network opportunities for cultural organisations and social enterprises. This works because Watershed *constitutes place*, offering connections in the immediate milieu, across the wider city, and into the city region, through a mixed profile of proactive initiatives (from training to screenings), underpinned by the distinctive ambiance of the building. This ambiance is hard to plan for and cannot be guaranteed, but a culture for openness and connectedness, an embrace with place, and a willingness to let the creatives lead, establishes Watershed and other facilities such as Broadway in Nottingham and Lighthouse in Glasgow, as pieces of cultural infrastructure that truly drive creativity and competitiveness.

The infrastructure offer does not provide for effective convergence.

As outlined in the 2005 Cox Report, much of the growth associated with the creative industries occurs outside of the sector, where a creative business has advanced the competitiveness of a client business operating an another sector. Much creative industries innovation also comes through convergence – from the role of a museum providing resources and ideas to a creative practitioner, to cross-departmental partnership within a university. Each of these types of convergence is under-explored and thus under-exploited in the UK, with the role of major cities as the most potent catalysts of convergence neglected. This is because cultural infrastructure – from a museum to a university – has not been effectively tasked with the role of convergence catalyst, and when they have, the spaces of convergence provided have too often been inappropriate because they have not been effectively embedded within the creative networks, processes and senses of place.

Knowledge Capital Universities - Manchester
As home to one of the largest student populations in Europe, Manchester has sought to re-brand itself as 'Knowledge Capital.' As part of this wide ranging agenda, three Universities - Manchester, Salford and Manchester Metropolitan - have formed the HEIF-funded 'Knowledge Capital Universities' Collaboration. This involves arrange of collaborative activity such as sharing of commercialisation expertise; additional support for Knowledge Transfer Partnerships; and feasibility and pilot work in City-specific areas; with a focus on the creative industries and their role in regeneration.

The infrastructure does not mix opportunities for production and consumption.

Too often, cultural infrastructure in the UK has been conceptualised and positioned as focusing either on cultural production or cultural consumption. Rarely both. For example, museums and galleries are traditionally conceptualised as units of cultural consumption; whereas a creative Industries workspace facility provides spaces for production. However, the most successful cultural infrastructure – whether this is measured in audience figures, visitor numbers or business growth – is that based on an understanding of the porousness of 'institutional walls' and the inseparability of processes of production and consumption. This can be recognised on a number of levels. For example, the DCMS Data Evidence Toolkit (DET) is based in an understanding that to measure creative Industries activity requires an appreciation of the connected and overlapping domains of content origination, manufacture, distribution, and exchange. Effective infrastructure – or the landscape of infrastructure – must support the connection of these domains, especially because it is often the same business or a network of businesses that occupies each of them.

A further and related example is the role of a museum or gallery. These are not just spaces for visitors to consume culture and creativity; they are *producers* of cultural resources that provide information, intelligence and inspiration for consumers who in turn are creative producers. It is therefore important that such infrastructure is effectively connected to the wider landscape of production and consumption-orientated infrastructure to accelerate and improve the transfer of their resources into the commercially-driven creative industries sector.

Place provides the means of connecting consumption and production processes through the formation of rich creative milieu. Through the co-location and connectedness of spaces of consumption and production – the galleries, bars, theatres, workspaces, support services, shops, arts centres, cinemas, universities – genuine creative city districts are established which have the ambiance and attitude required for genuine competitiveness. Places such as the Lace Market in Nottingham, North Lanes in Brighton, the Northern Quarter in Manchester and Hoxton/Shoreditch in London are oft-given examples of production and consumption working side-by-side towards the effects of regeneration and sector growth. Individual pieces of infrastructure such as The Design Museum in London or the Lighthouse in Glasgow, effectively mix consumption and production through space and programming, and are outward-facing to connect with the infrastructure landscapes of the districts and cities in which they are based. Here, place, creativity and competitiveness, are perhaps most compellingly evoked.

A Creative Wembley
In Wembley, a partnership of Arts Council England, London Development Agency and Brent Council, are working to establish the area as a strong cultural and creative hub. The partnership has appointed specialist creative industries property developers and consultants to work with the major corporate developers to establish a set of mixed-use creative workspaces, activity spaces and consumption spaces. Critical is establishing a mix that satisfies the commercial requirements of the corporate developers, while establishing a creative place with a mix of factors such as high quality and distinctive design, affordable and flexible workspace, a mix of independent consumption spaces such as bars and shops, and community space for cultural activities. A complex mix of Section 106 monies is being brokered to allow a focus on sustainable communities, creative business growth and commercial development, operates as part of one cohesive creative place. Such examples of partnership and policy innovation show that creative places need not be temporary – flushed out by gentrification – but can occupy a sustainable position at the heart of new, vibrant, distinctive places.

Creativity and Tourism
Globally, creative industries and culture are increasingly significant as a driver of tourism. Internationally, cities as varied as Melbourne, Beijing and Mumbai are positioning their creative economies at the heart of their offer to both leisure and business travelers. The UK's culture and creative industries tourism offer is developing fast, linked as it is to increasingly nuanced and sophisticated branding of cities and regions. It enables cities to move beyond traditional tourist themes such as heritage, and thus 'widen the shoulders of the tourist season' through initiatives that profile processes of creative production (such as cultural quarters) and consumption (such as the nighttime economy). Programmes such as Leeds: Live It, Love It (www.leedsliveitloveit.com) do just this. There is also growing realization of the role that new types of cultural tourism can play in terms of inward investment and global profile raising. Crucial is the projection of cities as distinctive places that offer stimulation across a fabric of connected infrastructure.

The infrastructure is not positioned through a global competitiveness lens.
Too often, the focus on cultural and creative infrastructure is undertaken from an introverted position that under-emphasises the role that can infrastructure play in advancing competitiveness as part of a global creative economy. Many specialist creative industries business support schemes focus predominantly on developing local, regional and – at a stretch – national markets. Many arts centres, workspace developments, galleries and theatres, rightly emphasis the role they are playing in repositioning a city as a creative place, or in attracting new investment such as through visitors or growing businesses. However, the relationship with international markets and partners is too often a passive one, with new global connections conceptualised as an added bonus. However, this is changing: cultural and creative infrastructure from PVA Media Labs in Dorset to Creative London, are prioritising international exchange and partnership. It is only building relationships internationally – by showcasing our asset base and brokering our creative knowledge – that the UK cultural and creative infrastructure offer can establish itself as a global leader.

London/SE is important here – operating as a global creative broker for the UK, leading many of the required partnerships and operating as the major partner in many emerging relationships. This is in part due to the globally significant critical mass of cultural infrastructure and creative industries activity in London/SE, which has always required a more globalised outlook from infrastructure and businesses based there; but it is also because much of the rest of the world looks to work through London to reach the UK. Building connections through London/SE is thus a vital priority for Core Places and their wider Regions if they are to advance their global creative standing.

However, each of the Core Places and, with better connectivity, their wider Regions, operate as global hubs in their own right – albeit underdeveloped hubs.
The links between Manchester/Liverpool and New York through fashion initiatives, between

Bristol and the USA through animation, and between the East of England and Santa Fe through technology and content, show that by connecting each of these emergent global creative hubs – these places - together and through London/SE, the UK can start to take up a position as a leading creative broker for international creative industries partnership and trade.

Place is the key binding factor for effective growth-orientated cultural infrastructure. Creative businesses invest in place as a means of investing in growth, or at the very least sustainability. Businesses that want to grow will locate in a distinctive place with an infrastructure landscape that best matches their aspirations for growth. While this process must be qualified to some extent by digitalisation, which is helping to flatten distance and reduce the significance of place as the major development factor for the creative industries; place remains the primary force in facilitating and inspiring creative industries growth and competitiveness.

2.1 Building Relationships: Creative Business and Cultural Organisations

The current relationship between creative businesses and cultural organisations is structurally weak, geographically patchy, and underplayed. Currently, there are a number of factors that effectively act as barriers preventing the kind of symbiotic relationship required in a creative economy that hopes to maximise the value of its cultural and creative assets. These include:

- **Outmoded concepts of separation** between cultural and commercial activity on both sides. Activity promoted by Arts and Business and pioneered by companies such as Unilever in the Catalyst project, show that business and cultural organisations can work together for mutual gain but that barriers persist.

- **Regional underdevelopment of state-of-the-art cultural facilities across the country.** While National Lottery funding has seen a flourishing of cultural buildings across the regions, it remains the case that much of our cultural infrastructure is old fashioned, in the wrong place and simply not fit for purpose in the 21st century. In the East of England, a region still lacking a density of headline cultural buildings, business sponsorship and involvement of the arts is significantly lower because the 'arts' offer to business is not as well-packaged as it could be and is not seen to operate in the wider modern/knowledge economy[5].

- **Underdeveloped knowledge and intellectual property transfer** – While there is ongoing debate about IPR, the case remains that currently many businesses feel that knowledge and Intellectual property remains 'locked' inside institutions and out of the reach of creative businesses. Indeed, it is overly locked within the departmental structure of institutions such as universities, with insufficient cross-departmental transfer. Without greater infrastructural flexibility and increased connectivity with creative businesses, convergence opportunities will be stifled and thus competitiveness will be hampered.

Renaissance in the Regions: Connecting Cultural Infrastructure
Since 2002, £100 million has been invested in regional museums through the Renaissance in the Regions Programme (see www.mla.gov.uk). This is based around the concept of a 'hub' for each of the English regions, made up of a group of the largest museums, working together to improve museums across the whole region. The hubs have successfully enabled greater strategic planning and increased capacity for audience development work, innovation and creativity. In particular, educational opportunities have improved with large increases in children from low incomes and ethnic minorities visiting museums. This model has the potential to extend its focus on connectivity with the creative industries, providing a coordinated offer of cultural assets to creative businesses. Moreover, the model could provide a way forward for other types of cultural infrastructure such as media centres and galleries – as they seek to build stronger connections across the regions.

If, through cultural and creative infrastructure, the development of closer and richer relationships between business and cultural organisations can be achieved, a range of actions are required. These mainly revolve around the opening up of space, smoother transfer of knowledge, and better understanding of the links between consumption, production and business models:

- **Opening up of space** – The British Library's IP centre is a model of a how a space that was once unwelcoming to creative business is now both a good place to hold meetings and a useful resource of information and advice on business research and IP matters. Other organisations, such as the Watershed in Bristol or the Lighthouse in Glasgow have successfully introduced business models that allow them to occupy a space between a 'traditional cultural organisation' and a business accelerator that provides a range of networking, business advice, mentoring, and convergence opportunities. A further example is The Hub Crafts and Design Centre in the East Midlands, which has created a successful program of activity that showcases work by regional designer-makers, thus sponsoring and developing local markets through efficient use of space.

Re-tooling Infrastructure for the Digital Age

Digitalisation of the creative economy offers a range of opportunities for the UK's cultural infrastructure. Cultural organizations can benefit from the opportunities such as reaching new audiences and widening access, as has been successfully demonstrated by Culture Online and the 24-Hour Museum. Sectorally, regions are benefiting from the cost reductions and possibilities that digital production and presentation have brought to film. Regional Screen Agencies are funding mobile digital screens which can breathe new life into village halls while the funding of digital screens in multiplex cinemas will bring non-mainstream productions to new audiences. Ultimately, as broadband is already proving, digitalization can help alleviate the barriers previously imposed by geography in rural areas, allowing a range of new services and businesses to prosper via virtual and real linkages to core cities and beyond.

- **Smoother transfer of knowledge** – There are many examples of cultural organisations that successfully translate their activities and skills for businesses using arts-based training methodologies through workshops and bespoke courses. To transfer IP in ways that creative businesses can more effectively understand, there are emerging models such as the i10 network in the East of England, or Knowledge East in East London. These cross-institutional knowledge transfer initiatives show the benefits of grouping together to build connections with creative businesses as one collective 'infrastructure offer'.

- **Consumption, production and business models** – key to breaking down barriers between organisations and business is greater cross-over between consumption and production. The V&A is successfully doing this through its 'Cherry on the Cake' scheme. Here, the V&A commissioned leading designers to produce work for the newly opened shop. In addition to this, its work with Habitat and the recent Modernism exhibition, which saw Habitat running displays and running courses for its staff around the exhibitions theme, could be seen as extending this link.

3. Key Recommendations – A Creative Grid for UK Competitiveness and Growth

As has been shown, for the UK to operate as a high growth, competitive, global leader in the creative industries, the development of a highly connected fabric of cultural and creative infrastructure is required. This should be:

- **Globally facing** – it is time to position the UK creative economy as a global broker, with every investment in infrastructure conceptualised as much through a global as a local lens

- **Driven through place** – the task is to establish in each Core Place dense concentrations of creative production and consumption driven through a close relationship with a fabric of cultural and creative infrastructure that connects more effectively with the wider regions

- **Connected through cities** – the concentrations of cultural and creative infrastructure in Core Places and London/SE need to be more effectively connected so that they operate as a single, navigable infrastructure offer: to the UK and global creative economy

- **Convergent** – cultural and creative infrastructure should prioritise cross-institutional partnership, inter-departmentalism, cross-sector working, and a much more flexible relationship with individuals and businesses. This is necessary to encourage the cross-pollination of ideas, to bring technology closer to content, to mix consumption to production, and to mainstream creativity so that it adds value across the economy.

This requires a new approach to conceptualising how and where to invest in cultural and creative infrastructure. Future investment considerations should seek to assess in each Core Place and wider region the provision of the 10 Infrastructural Conditions introduced in **Section 1**, and the connectivity of these pieces of infrastructure within and between places, with an emphasis on the connections to other Core Places and London/SE. Put simply, place must become the key unit of measurement for the development of cultural and creative infrastructure in the UK. Cities are the creative powerhouses and the connectivity of a fabric of infrastructure within and between cities (including their rural hinterlands) can become the key competitive asset for the UK creative economy.

The Creative Grid

To maximise the value of the cultural and creative infrastructure – and to make it work more effectively – requires that connectivity and complementarity of infrastructure is prioritised. This requires the introduction of a new policy vehicle for the UK creative economy: the **Creative Grid for UK Competitiveness and Growth**. This is both a mechanism and concept that seeks to advance connectivity, accelerate flows of intelligence, and facilitate greater partnership, with convergence a primary aim. The Grid provides a new over-arching infrastructure for each of the policy recommendations of the Creative Economy Programme. **A Technical Brief for the development of the Creative Grid will be developed for the DCMS by mid-December 2006.**

The grid has 3 key features:

Recommended Grid Feature 1: A Web-based Intelligence Service

This is a portal and gateway for the UK's creative economy. It provides the infrastructure map for the entire UK creative sector. It shows the points of connection and overlap of different units of infrastructure. It showcases the infrastructure offer of specific places, featuring the Core Places and their wider regions and emphasising connections between Core Places and to London/SE. It provides an intelligence service that highlights key new research findings undertaken across the UK. It undertakes new research to bridge gaps in sector intelligence.

Critical to its success will be the way it connects existing online intelligence. It will therefore need to be recognised as the 'front door' for sector intelligence that far exceeds the information offer of a simple Google search. Vital here will be the contributions of existing networks and portals – feeding and sustaining the Grid, keeping intelligence up to date and connecting with each other through the Grid. This will be led by the key sector bodies and the regions (working to connect their Core Places). Without this common ownership, the Grid will not succeed: it will be 'just another portal'.

This web-based intelligence service should become the marketplace for information in the UK creative economy. It should enable businesses to get the kinds of market intelligence they need – from benchmarking to information on new business models. It should enable Core Places and their wider regions to properly understand the performance of their creative economies. Crucially, it should demonstrate globally the strength and depth of knowledge around the creative economy that exists and is growing in the UK.

The UK already has a world-class creative infrastructure, but negotiating it and finding out what help is available, is not always easy, particularly for new market entrants. A primary role of the Grid's web-based intelligence service is to make this knowledge more transparent and to enable businesses in the UK to tap into the specialist business support, market information and property advice, wherever they are based. Services like this already exist within many regions and cities. The Creative Enterprise Gateway in the South West is a good example, which offers dedicated staff as well as online support. Other regions use Observatories to provide both market data for policymakers and for businesses.

Beyond business support, there is a growing need for information about relevant property and workspace, both permanent and temporary – such as that provided by Arts Council England, London, through the Creative Space agency – which identifies temporarily available property and brokers opportunities for its creative use. These services would gain a higher profile and have greater traction if profiled through the services of the Grid.

Recommended Grid Feature 2: Central Government and Core Places Creativity Working Group

For too long, creativity and culture have been positioned to the margins of public policy-making, from a national to a local level. This is despite the creative industries operating as one of the fastest growing sectors in the UK economy for well over a decade; despite increasing understanding of the value-adding role of creativity across the economy (such as that expressed by the Cox Review); and despite an ever wider-appreciation of the role of culture and creativity in transforming places and building sustainable communities in distinctive places. Indeed, this is despite the very compelling truth that the UK's future competitiveness lies in its capacity to utilise its creative assets as the world's major creative broker.

To ensure that culture and creativity are afforded the strategic position their significance requires, it is recognised that at a national level, a **Cross-departmental Creativity Working Group** be established. This should have at least junior minister membership and it should have a change of departmental leadership every 6 months (i.e. it should not be chaired by the DCMS exclusively). It should also have representation from the Regions. This will be the primary policy connector for creativity, ensuring that for every policy area, the following questions are asked:

"What is the role of creativity?"

"What is the creative dividend?"

It may also be appropriate for policy-specific working groups to be established, led by the overarching working group. These would have a focus on major policy areas such as Creativity and IPR and the Creative Industries and growth finance.

In addition, a **Core Places Creativity Working Group** should be established, with a role to report to the above Executive. This will focus on connecting infrastructure and building joint infrastructure offers as a way of achieving critical mass. **This will be driven by new research that sets out the cultural and creative offer of our Core Places and identifies how, through collaboration and coordination, it can be utilised more effectively across the above 4 themes introduced below. This will be focused through the 10 Infrastructural Conditions –see below.** Also, to complement this new knowledge, major NDPBs[6] should commission research that refocuses attention to the role of infrastructure in, through Core Places and their wider regions.

The Working Groups will focus across **4 key themes**:

- **Creativity and culture for competitive advantage**: their role as a major sector and through convergence as a value-adder for the whole economy. This will feature improving global partnership and trade opportunities, supporting the creation and protection of new IPR, and ensuring flexible infrastructure connects with transforming markets.

- **Creativity and culture for effective regeneration:** their role as a catalyst for investment, as a means of attracting and adding value to knowledge economy jobs, and as a connector between agendas such as those in education and social provision.

- **Creativity and culture for sustainable communities:** their role as a provider of confidence, as a way of connecting across ethnicities and generations, and as a delivery platform for services in health and education.

- **Creativity and culture for high quality, distinctive places:** their role in supporting excellent design, in resurrecting the valuable role of town centres, and in forging positive senses of place.

This approach allows a focus that elevates culture and creativity beyond that of 'value-adder' or even 'optional extra', to a position where they are central catalysing features and processes of a transforming UK economy.

Recommended Grid Feature 3: Creative Connector Projects

In addition to a central organising framework provided by Grid Features 1 and 2, there is a need for a series of targeted initiatives driven through the 3 core themes: global competitiveness, convergence and stimulation. There are multiple opportunities and requirements here, many of which will need to be developed further through the work of the Executives of Grid Feature 2. ? Priority Connector Projects are introduced below:

A: Developing Creative Places: Convergence, Stimulation and the 10 Infrastructural Conditions

The notion of a creative place goes beyond simply stating the elements required to make a successful creative economy. Developing a creative place is about how those elements come together, the interlinkages between them, the density of networks, and the ability of new entrants to the market to negotiate those networks.

[6] Non-Departmental Public Bodies.

To have the necessary commercial edge required to be the World's Creative hub (or anything nearly approaching it) it is essential that a world-leading infrastructure is in operation and connected through concentrations of infrastructure in specific places. In Bollywood – a global hub of film-making far larger than Hollywood – this is provided through the infrastructure of talent, finance, culture and place. In the City of London the Big Bang (when technology and legislation combined to provide a new infrastructure) enabled a new infrastructure to lie next to the old infrastructure of proximity and contacts.

In both these cases, and in many others, there are key pieces of infrastructure such as high quality digital technology, or good public transport, particularly access to airports, without which no hub can be developed. But while both of these factors are vital, neither are sufficient; particular as both can be relatively easily replicated providing the requisite amount of investment is available.

In the creative economy, the elements of distinctiveness and embeddings within *the local* are a vital part of any hub and any support for creative industries has to work with the grain of them, rather than against it. It is thus crucial that a fabric of infrastructure is established in each of Core Place, and that it is connected through the regions, to other Core Places, and to London/SE.

Any creative city/region needs to make use of the **cultural asset base** and promote links between that and the more commercial creative sectors; it needs to connect its existing offer, and identify gaps in the fabric of 10 infrastructural conditions that must be filled if the city is to foster a competitive creative economy and thus contribute to the wider UK Creative Economy.

It is recommended that each Core Place (the Core Cities plus other Core Places to be defined in part through the first stages of the following research) undertake a research and partnership programme to test the existence, impact and connectedness of the 10 Infrastructural Conditions. It is also recommended that each NDPB explore how their work contributes to the establishment and retention of the Conditions for specific Creative Industries sub-sectors and for specific places. This will inform how we conceptualise investment in creativity through place and help us to prioritise investment on the basis of its contribution to a competitive and growth-orientated Creative Economy. **This recommendation is to be developed as a Research Brief and will be provided to the DCMS by January 2007.**

To repeat, the 10 Infrastructural Conditions for Creative Competitiveness and Growth are:

1. World class, high profile cultural and built infrastructure

2. A wide range of specialist creative industries support services

3. A wide range of specialist and accessible facilities for different parts of the creative industries

4. A strong and specialised higher education sector

5. An innovative further and school education sector, plus a strong informal learning sector

6. Spaces of convergence and connectivity, where creative knowledge workers can meet, generate ideas and trade

7. Global partnerships and trade initiatives

8. Diversity advantage

9. Strong spaces of cultural consumption connecting spaces of production

10. Cultural Infrastructure at the centre – where the above are recognised as central to the competitiveness of the creative economy, but also as crucial for growth and competitiveness in other sectors through the added value creativity brings, and for strong sustainable, confident and inclusive communities.

A number of specific interventions provide the means to connect infrastructural conditions in ways that advance creative place-building. These include the following recommendations, each of which should be championed by the DCMS, if not directly acted-upon through DCMS policy/intervention:

Grid Interventions for Creative Milieu in Creative Places

1. **Creativity Towers:** Build effective models for brokering with developers concentrations of specialist creative workspace and activity space as core components of new developments. These should prioritise affordability, flexibility, high quality design, and connectivity to the wider fabric of infrastructure in a milieu. This should include models of cross-subsidising different types of activity and utilising section 106 monies for cultural and creative infrastructure. The Growth Areas of Thames Gateway, Ashford, Milton Keynes/South Midlands, provide particular opportunities due to the scale of investment and development.

2. **The Octagon:** Many creative businesses from across the UK require a strong link with supply chains and markets in London if they are to be competitive. This requires that they often need to travel to and build relationships in the Capital. London provides the greatest level of critical mass in cultural and creative infrastructure and sector activity. With New York and Tokyo, it is one of the 3 great creative cities of the world. It provides the UK creative economy with its major global links, its financial backing and its key supply chain connections. This means that creative businesses across the UK need London; just as London needs connectivity with sector activity and infrastructure across the UK. *The Octagon provides a workspace, activity, and network facility for the regions, as well as for London/SE*. It might have eight workspace areas – one for each region (hence the working title 'Octagon'; connected together through network and showcase space.

   It is a new piece of creative infrastructure that embodies and symbolises the need for Core Places and their creative businesses to work together and with London, as a unified offer for the UK Creative economy. It is also an important intervention – strengthening links with the talent supply of the rest of the UK and fast-tracking supply chains – such as by enabling discussions between London-based film-makers and regional film offices. It should be high quality in design, offer a mix of production and consumption spaces, and be based in a prominent, transforming and connected part of London – such as close to the new Eurostar terminal in King's Cross/St. Pancras.

3. **Design Creativity In:** Connect infrastructure more effectively through local infrastructure maps, through 'Legible City' projects such as in Bristol, and through spaces that allow the sector to imprint its own identity. Supporting the independent cultural consumption sector is key here: cloning of cultural infrastructure stifles innovation and thus reduces competitiveness. A series of projects across the Core Cities and Core Places should be introduced – in the spirit of the Mayor of London's 100 Public Spaces Programme. Designs of the Time – the Design Council Programme – could be developed in more than one region and could operate as an inter-city initiative, significantly raising the profile of design, mainstreaming design and showcasing the collective offer of the Core creative places of the UK.

B: A Ready Supply of Talent – Global Competitiveness and Convergence

Although a cliché, it remains true that any competitive creative place requires a ready supply of talented individuals equipped with an ever-changing array of specialist skills and knowledge. The UK has long been seen as producing world class talent in the cultural and creative sectors, but it is also the case that the 'skills agenda,' for the cultural and creative sectors is more problematic than for most other sectors. As globalisation grows more important and the BRIC countries' influence grows stronger, the pressure on UK talent to re-skill and keep ahead of the game will only increase. But many creative entrepreneurs themselves have not been 'trained' in the crafts they practice. They may have studied something else at college, are self-taught, or have failed in a variety of jobs and careers before they found their niche. This has produced a culture of scepticism among employers in these sectors about the value of vocational education, and hence makes informal learning routes very important. In addition, skills change is rapid in these sectors and difficult to predict. This makes it very expensive for publicly-funded educational institutions to keep up with demand for specific skills training.

Collaborations between HE/FE institutes at an organisational (rather than academic) level are a relatively new development, and as different institutions undertake very different activities, it is important to respect specialisms instead of rushing to replicate. For instance, the Furniture Works initiative at London Metropolitan University is a highly successful instance of how a HE Institute has become embedded in an economic cluster. But this initiative has grown out of long-term relationships, local networks and expertise, and we must not assume that every design institute should embark on something similar.

Knowledge transfer initiatives, for example, need to reflect the wide range of contacts between HE/FE and the creative workforce, rather than just focussing on the 'company spin-off' model better known in the sciences and technology.

There are already a wide variety of activities going on at regional and national level in knowledge transfer and these need to be built on. In particular, following the Cox Report, a series of initiatives are being developed to enable the UK's business in all sectors of the economy to make more use of creative labour. Existing schemes such as the Design Council's Immersion programme are being extended, while the AHRC/DTI Knowledge Transfer Partnerships sponsors relationships between research organisation, businesses and recent arts and humanities graduates.

Despite the pressures to bring education and business closer together; it can also be argued that the kinds of creative leaps that transform business models and productivity ('discontinuous innovations' as they are sometimes described) are actually more likely to emerge from those institutes which have little connection to short-term commercial demands. By contrast, those institutes that engage closely with business may have a better record of 'incremental innovation': continuously producing designers and design ideas that can readily feed into business, and the refinement and improvement of products and services. It is important that any initiatives respect these different strengths.

Grid Interventions for a Ready Supply of Talent

1. **Knowledge Transfer, Exchange and Incubation:** A Programme of Creative Knowledge Exchange projects to re-tool universities and colleges to become more porous and flexible, ensuring cross-departmental approaches to creativity research, stronger support for entrepreneurialism and commercialisation pre-graduation, and the use of the city – the place – as the creative laboratory.

2. **Advance connectivity between learning and skills providers and support Trade Associations to Build their Intelligence Base:** There is already a plethora of learning and skills initiatives being developed under the rubric of regional skills strategies, by Regional Skills Alliances, which bring together RDAs and Sector Skills Councils. These are shortly to be joined in the cultural sectors by the Creative Knowledge Lab. There is no need to replicate these initiatives, but the Grid needs to build on them and focus particularly on the types of *informal* learning that are available. This could mean, for instance, that the Grid's Web-based Intelligence Service contains information on the 'Friday Lates' that the V&A runs or the Design Council's campaign on skills. It will links to regional initiatives such as the LDA's Supporting Talent into Enterprise and **should champion a Creativity Top 500 to showcase talent.**

C: Acting Global: The World's Creative Broker

Too often, creative industries policy in the UK has focused on building local markets or on driving processes of regeneration. These are crucial concerns, but the best way to impact upon 'the local' is to be much more strategic in building policy that focuses on 'the global'. While there is a myriad of creative industries initiatives that seek to make connection with global markets and partners – including the work of individual institutions, RDAs, and the British Council Creative Industries Unit – there is an absolute lack of coordination, and projects are often piecemeal in construction and temporary in timescale. The Grid seeks to ensure greater connectivity between places, ensuring greater policy coordination and intelligence sharing. This requires an international focus to front the national and regional focus of city-to-city connection. The Web-based Intelligence service will provide a 'front page' showcase of the UK's cultural and creative infrastructure and asset base, and it will be a key medium for the UK's creative knowledge, providing a crucial global creative brokerage role. However, this is a passive tool, requiring global partners and markets to actively make a connection. Correspondingly, a much more coordinated and active approach is required to showcase the UK's creative assets, broker knowledge, and seek partnership, trade and convergence with other parts of the world.

Grid Interventions for the World's Creative Broker

1. **The World Creative Forum:** There is significant backing for the UK host an annual World Creative Forum that showcases UK Creative talent and stages our role as the world's creative knowledge broker. This will operate in a similar way to the World Economic Forum in Davos, Switzerland (see www.weforum.org), which projects Switzerland as the honest brokers of economic cooperation and development, and feature the UK's expertise as a world leader in creative knowledge. It will build upon the good progress made in developing a London-based model for the World Creative Forum (with 2 previous pilot events) and provide the opportunity for the UK to take the high ground and broker partnership, knowledge transfer and trading relations, with a primary focus on the convergence of ideas and talent. Central to the UK role as creative knowledge broker will be the coordinated offer of our Core Places and their wider regions, with an emphasis on how they are working together to accelerate business growth to develop new IP, and to maximise the value of their cultural infrastructure through partnership. It is recommended that a public/private partnership solution to this opportunity is sought.

2. Connect existing and forthcoming showcases and events: Currently, the creative showcase offer of the UK is under-connected, with, for example, multiple events happening simultaneously in London and Core Places in competition with each other. It is recommended that major events are programmed to lead into each other and tour Core Places. It is also recommended that major events are, where appropriate, promoted collectively, thus emphasising the sheer depth and vitality of the UK creative offer. Currently they have a fragmented profile, unnecessarily compete with one another, and are not connected across different cities in a coordinated and progressive way.

3. **Targeted and Coordinated Outward and Inward Missions to/from BRIC countries and Other Key Territories:** A national programme be established and branded to build a far stronger creativity offer to emerging and competitor economies – just as is being undertaken by the City of London. The Core Places should play a lead role here – positioning their infrastructure offer in a collective rather than competitive way.

With the UK rising to the challenge of increasing competitiveness in the global creative economy, managing the World Creative Forum is a major opportunity. It is the mixture of intensive place-based policy, supporting concentration and connectivity of cultural and creative infrastructure in our Core Places and their regions; and an outward-facing, globally-focused partnership and brokerage role that will help to secure the UK's competitive edge over the coming years.

The Creative Grid – the vital connector, facilitator and broker – provides the conceptual and infrastructural framework for the Creative Economy Programme. The task now, pending more detailed feasibility work, is its implementation.

Appendix 1 Working Group Details

The Chairman of the Working Group, John Sorrell, would like to thank all the members for their input and ongoing commitment.

The Working Group met formally twice during the writing of this report as well as individually giving their views at one-to-one sessions. The Chairman additionally held two brainstorming meetings involving members of the other working groups.

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Chief Executive: Chris Murray, CABE

Business Manager: Adrian Harvey, CABE

DCMS Lead: Dominic Tambling and Madeline Clegg

Group Members:

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Clive Carter, OFCOM

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Holly Donagh, Arts Council

Damien Whitmore, Victoria and Albert Museum

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Carol Comley, UK Film Council

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