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Creative Industries in Gloucestershire 2005

Summary Report

A study for Gloucestershire County and District Councils, and partners

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May 2006

Gloucestershire County Council

Arts Council England

>lsc Leading learning and skills

Business Link

Gloucestershire first for business

Introduction

Gloucestershire County and District Councils and Arts Council England South West, in partnership with Gloucestershire First, Business Link, Gloucestershire Learning and Skills Council, Stroud Local Strategic Partnership and Forest of Dean Creative Partnerships, commissioned Comedia to carry out a research project as part of a wider brief embracing the creative industries and arts sector in the county. The object of this part of the research is to provide baseline data and recommendations to support effective intervention across the creative industries sector in Gloucestershire.

The full report of the research, *Creative Industries in Gloucestershire 2005*, is available from Gloucestershire County Council website on www.gloucestershire.gov.uk/arts. Hard copies are available from Helen Owen, at Colwell Centre for the Arts, 01452 544049
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Summary

To obtain a detailed picture of the county's creative sector a selected database of 3,297 contacts was compiled. 42% of existing contactable enterprises participated in a telephone survey, including companies, individual artists, makers and creative freelancers.

Distribution across the county revealed that Cotswold, Stroud and Cheltenham have large clusters of creative enterprises that play a strong part in their local economies, compared with other Districts. A series of 14 case studies based on face-to-face interviews was carried out to illuminate these clusters, the characteristics of businesses in the sector and the personal stories of some creative entrepreneurs living and working in the county.

Gloucestershire's distinctiveness

Gloucestershire is recognised nationally and internationally for its community of artists, makers and creative entrepreneurs. There are particular strengths which make the county distinctive. The most prominent are large numbers of art and craft practitioners, especially in Stroud and Forest of Dean and the scale and success of the art and antiques trade, notably in Cotswold. The growth of clusters of creative enterprises, particularly in the Stroud Valleys, Forest of Dean and Cotswold areas, have drawn increasing numbers of creative people to live and work in the county, attracted by the combination of affordable living in rural surroundings amongst like-minded communities.

Historically, the Arts & Crafts movement has always been strong in Gloucestershire. Many of its luminaries, Morris, Gimson, the Barnsley brothers, Gordon Russell, CR Ashbee were attracted to live and work in the county, which has provided a home for generations of innovators and creative entrepreneurs. This inward migration of artists, craftspeople and creative practitioners continues today.

The county is characterised by a rich blend of inspiring landscapes and vibrant cultural heritage - hills and plains, mining and mills, rural fastness and urban cultural diversity, an ancient port city and a high-tech communications centre, traditional rural communities and modern cosmopolitanism. The county’s characteristics make its creative industries sector distinctive. Its diversity is reflected in the range and scope of its creative industries, which are widely distributed across the sectors.

There is innovation alongside continuity. The county has benefited from the legacy of traditional industries including the wool trade, textiles, metalworking and woodland crafts. The demise of traditional industries has left a legacy of established communities of highly skilled people, well suited to new employment with the creative industries. Post-industrial Gloucestershire saw the former infrastructure fall into disuse and buildings became available as cheap space for emergent new enterprises.

Since the 1960s the supply of affordable housing, redundant mills offering economic workspaces and the railway link to London have attracted waves of creative people into the area. New technologies, ideas and industries have flourished. The county's landscapes together with its accessibility from the capital, has attracted wealthy residents, which in turn has created a local market for high-value products.

Key findings

- The creative industries in Gloucestershire in 2005 comprise at least 1900 companies and small businesses. They employ close to 9,000 people and produce a total turnover of some £808m in the local economy.
- The sector represents 9.8% of the total of VAT enterprises in the county, employs 4.8% of the total of employment and generates 4.2% of the total turnover of all enterprises in the county.
- In addition between six and seven hundred very small businesses and individual practitioners produce an estimated additional £11-12m turnover.
- The creative sector in the county is substantial and growing but also has weaknesses. If the creative sector were to raise its performance in turnover per employee to the industrial average of the county, the effect would be to produce £130m additional turnover. Had growth in employment been equal to the national pace, there would have been an additional 1700 people employed in 2005.
- Gloucestershire has between 10-14% share of the creative industries sector in the SW region. Compared to its population of 11% of the region’s total, the county is performing well in this sector compared to other parts of the region.
- Most creative businesses in the county are small, employing on average less than 5 people. Turnover per employee is 86% of the all-industries average. Software and computer games generate the highest total turnover at £264m, the art and antiques trade next at £170m.
- 40% of creative sector businesses surveyed reported that they experience no barriers to their growth.
- There are marked distinctions between the sectors. Fashion, music, visual art and craft, and performing arts all show more than 70% of respondents having a turnover less than £50,000. In advertising, architecture, design, publishing, software and printing, small businesses are in the minority.

- Between 1997 and 2005 the total of turnover in the sectors for which comparative data is available rose by 36% when adjusted for inflation.
- Among the businesses, as distinct from freelances and individual practitioners, 17% of businesses are less than three years old, and half have been in business less than ten years. At the other end of the scale, 15% of businesses are more than 25 years old indicating a healthy new business birth rate and survival rate. Taking the proportion of businesses less than three years old as an index of the birth rate, the most prolific sectors are fashion, audio-visual, art & antiques, and software.
- 50% of businesses and 80% of freelances work from their home.
- Broadband access is available to 68% of businesses. Of the businesses surveyed 56% have a company website and 10% of respondents have the capacity to sell on-line.
- 70% of businesses reported a mainly local customer base with a predominant use of local suppliers. Three-quarters of businesses report that none of their turnover is generated from export activity. The highest levels of respondents deriving a quarter or more of their turnover from exports are in Cotswold and Stroud.
- More than 60% reported that they had not used any business advisory or support services in the last year. The most frequently cited source of support among those who had received any was Business Link. 82% of those who received business advice and support declared themselves satisfied with the available services.
- 75% of business respondents and 85% of freelancers reported taking no training during the past year. Time, cost, awareness of what is available and location were most often cited as the reasons for not taking up training.

Recommendations

The scale, diversity and depth of the county's creative sector revealed by this research give it substantial potential to contribute to local and regional economic goals, if its weaknesses and support needs can be successfully addressed. The areas of intervention and actions which can be taken to achieve the creative sector's growth potential are set out below.

The following summary recommendations, which are set out in full in the Conclusions and Recommendations section of the main report, are made to help the commissioning partners formulate and implement a plan to support the growth of the creative industries in the county.

We recommend that Gloucestershire First is best placed to co-ordinate development and implementation of a plan of this kind.

We also recommend that the commissioning partners should examine in detail the case for establishing a dedicated Creative Industries Agency in the county to carry out the work involved.

1. Economic strategy

- Support and enable the integration of the creative sector into the development of local, county and regional economic and regeneration strategies, including Local Area Agreements, the region's Rural Regeneration Strategy and the planned Regional Urban Strategy;

- Provide a year-on-year evidence base of the impact of the creative sector on the achievement of economic and regeneration objectives, in association with the Regional Cultural Observatory.

2 Business and organisational development

- Work with Creative Enterprise gateway and other local and regional agencies at a strategic level to encourage appropriate and suitably tailored support for the creative sector and disseminate best practice;
- Work with local and regional partners to explore new UK market opportunities and with United Kingdom Trade and Investment (UKTI) for export opportunities;
- Support start up/new businesses through information and signposting provision, through specific strategic and research interventions, and encouragement of entrepreneurship;
- Develop a Mentoring Scheme to provide tailored support from sector leaders and experts to assist new and emerging enterprises, including artists residencies and creative exchange programmes;
- Support targeting of creative business graduates, FE students, Arts and Technology Schools students to promote the availability of business advice, information and signposting and provide local and regional advocacy for the sector;
- Deliver in partnership or by commission a series of appropriate creative business support/start up events in the county, targeting in particular 'second career' seekers in the 45+ age bracket.

3 Sub-sectors and Cluster Support

- Evaluate candidates for targeted support for key sub-sectors. Recommended candidates are visual arts & crafts, the antiques trade, and publishing;
- Seek ways to focus sub sector support by identifying and supporting hub organisations working within creative clusters.
- Clusters which may merit further attention are identified here as:
  – Visual arts & crafts in Stroud District and Forest of Dean.
  – Publishing in Stroud District and Cheltenham
  – Film & video, advertising, design and marketing in and around Cheltenham
  – The arts and antiques trade in Cotswold
  – The potential geographic cluster in Gloucester linked to the Heritage Dockyard and the strategy of the Urban Regeneration Company;
- Identify and promote selected areas as creative communities & quarters, and identify and support leading organisations which can act as creative hubs and focal points for networks. Candidate areas recommended are Cheltenham & Stroud.

4 Marketing

- Support the growth of current and planned marketing enterprises and initiatives by organisations and local networks including arts trails, antiques trails, festivals;
- Support and co-ordinate marketing efforts jointly with related sectors, particularly tourism, hospitality and the artisan food sector;
- Strengthen links between the creative sector and rural regeneration, rural employment and tourism
- Co-ordinate the efforts of partners, trade organisations and UKTI in initiatives to develop exports by businesses in the creative sector;
- Stimulate a 'buy local' campaign to encourage partners to procure creative sector services within the county.

5 Workforce and skills development

- Review sector skills needs and current provision through analysis of the research and continuing consultation with creative businesses;
- Promote the sector to those at school and ensure the pathways through the FE and HE sectors exist and match the skills needs identified by the relevant Sector Skills Councils (Skillset and Creative & Cultural Skills);
- Deliver in partnership or by commission a series of pilot projects targeting increased business management and market development skills in potential growth sectors such as visual arts, craft and new media;
- Promote regional and local skills development opportunities, including work placements and apprenticeships with leading creative sector organisations.

6 Workspace provision

- Align with the regional cultural infrastructure strategy in respect of development of workspace provision in the county;
- Work with voluntary, private and public sector agencies to encourage the development of a cultural/creative business area within each District according to Local Authority strategic aims;
- Be a contributing partner in the development of The University of Gloucestershire Development Centre’s Innovation Programme;
- Work with the County arts organisations to secure appropriate workspace/studio/rehearsal/exhibition space provision across the County.

7 Information and signposting

- Facilitate access to appropriate local, regional and national business and creative industry information and advice services;
- Support provision of a regularly updated information and signposting service to the creative industries sector through a county or regional sector-specific website, such as the Creative Enterprise Gateway portal, among other communications options.

8 Networking

- Encourage county and regional networking in partnership with existing creative industries networks including Gloucestershire Media Group, Artsmatrix, Stroud Valleys Artspace, The University of Gloucestershire and the county's FE sector;
- Support development of the Creative Enterprise Gateway portal to facilitate peer group on-line networking;
- Support the formation and development of independent sector-led groupings and organisations where strategically appropriate.

9 Investment

- Evaluate the potential benefits of the different approaches to encouraging access to investment for creative enterprises;
- Encourage the development of investment-readiness among the creative sector by facilitating access to and take-up of existing generic investment-readiness programmes.

Creative Industries Development Agency

We recommend that the commissioning partners examine the case for and against the creation of a county-based Creative Industries Agency, weigh the costs and benefits, and evaluate the advantages and purposes of such an agency, which might include:

- To lead and manage the process of developing a strategic plan;
- To act as a co-ordinator and source of support for advocacy for the sector;
- To focus and co-ordinate the range of support and development activity which is being, and could be, undertaken in the county;
- To deliver aspects of business support, network management and marketing initiatives where necessary
- To focus the capacity of the creative sector to contribute to the achievement of economic and regeneration objectives;
- To disseminate research findings and intelligence among partners, and co-ordinate further research efforts by partners as necessary.

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May 2006