

# Stronger City Economy Scrutiny Panel Meeting

Tuesday, 20 June 2017

Dear Councillor

## **STRONGER CITY ECONOMY SCRUTINY PANEL - TUESDAY, 20TH JUNE, 2017**

I am now able to enclose, for consideration at next Tuesday, 20th June, 2017 meeting of the Stronger City Economy Scrutiny Panel, the following reports that were unavailable when the agenda was printed.

<b>Agenda No</b>	<b>Item</b>
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5	<b><u>Developing a creative, cultural and visitor economic strategy (Pages 3 - 14)</u></b>
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To consider what should the priorities be for Wolverhampton in developing a creative, cultural and visitor economic strategy.

If you have any queries about this meeting, please contact the democratic support team:

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# Stronger City Economy Scrutiny Panel

20 June 2017

<b>Report title</b>	Developing a creative, cultural and visitor economic strategy	
<b>Cabinet member with lead responsibility</b>	Councillor John Reynolds City Economy	
<b>Wards affected</b>	All	
<b>Accountable director</b>	Keren Jones, City Economy	
<b>Originating service</b>	City Economy	
<b>Accountable employee(s)</b>	Charlotte Johns	Head of Service, City Economy
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**Report to be/has been considered by**

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**Recommendation(s) for action or decision:**

The Scrutiny Panel are asked to consider:

1. Priorities for inclusion in the City of Wolverhampton creative, cultural and visitor economy strategy, which will form part of the overall Strategic Economic Plan.

## 1.0 Purpose

- 1.1 The purpose of this report is to provide background on the creative, cultural and visitor economies in Wolverhampton to help inform the development of a strategy to maximise the benefits for the city. A further presentation will be given to the Scrutiny Panel on 20 June.

## 2.0 Background

- 2.1 In the past two decades, culture and the creative industries have become an important element of the UK's economy. Creative industries are defined as businesses which have creativity at their core and refer to economic activities centred on the creation and commercialisation of creativity, ideas, knowledge and information. They provide:
- Almost 5% of UK employment (or 9% when creative occupations are embedded within other industries, e.g. a designer for a car manufacturer)
  - 10% of UK GDP
  - 11% of the UK's service exports.
- 2.2 Creative Industries are defined by the Department for Culture, Media and Sport (DCMS) as 'those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property'. DCMS categorises creative industries into nine subsector industries: Advertising and marketing; Architecture; Crafts; Design: Product, Graphic and Fashion Design; Film, TV, video, radio and photography; IT, software and computer services; Publishing; Museums Galleries and Libraries; Music, performing and visual arts.
- 2.3 The creative industries have become an important component of the country's economic competitiveness through both their own contribution to overall GDP and jobs, as well as through economic 'spillovers' into the wider economy. Culture can be a catalyst in encouraging inspiration, innovation and provides opportunities to explore the potential of new ideas that may later be adopted by the commercial creative industries. Culture also plays a particularly important role in showcasing the UK's creative talent overseas, generating exports and resulting in flow of income to UK. It also has a huge impact on the visitor economy.
- 2.4 The creative industries are also important in supporting local economies. Culture and creative industries help to generate local GVA and jobs; drive regeneration, placemaking and the visitor economy and generate social and intellectual capital (which ultimately has economic value).

## 3.0 Regional Working

- 3.1 In March 2016 the West Midlands Combined Authority (WMCA) reconstituted the 'Cultural, Creative and Tourism' Working Group which Wolverhampton has been a part of.

### 3.2 The purpose of the group is:

- To develop and implement a plan for the growth of the cultural, creative and tourism sectors at a regional level, to support the aims of the WMCA and the delivery of the Strategic Economic Plan.
- To develop investment cases based on evidence, for consideration through the WMCA devolution deals.
- To ensure effective alignment between local, Local Enterprise Partnership and WMCA plans for the cultural, creative and tourism sectors, and that actions are co-ordinated and undertaken at the appropriate level.
- To ensure the WMCA cultural, creative and tourism plan is integrated with plans for transportation, jobs and skills and wellbeing.
- To provide professional advice and support to the WMCA Cabinet on issues affecting the growth of the cultural, creative and tourism sectors, including responding to new opportunities and consultations.

### 3.3 The group has recently commissioned research to support the development of the cultural, creative and tourism sectors, with a view to developing an initial plan by September 2017.

## 4.0 City of Wolverhampton

### 4.1 Local research

#### 4.1.1 In recognition of the importance that culture and the creative industries can play and the existing strengths of the sector in Wolverhampton, the Council commissioned Burns Owens Partnership (BOP) Consulting in 2016 to undertake a strategic planning exercise for culture and creative industries in the city. The aims of this exercise were:

- To help the City of Wolverhampton Council and partners develop the case for investment in culture and the creative industries, and to maximise the potential
- To consider the overall pattern of development of culture and creative industries in the city, across multiple projects.

#### 4.1.2 National data shows that **2,642** people are employed in businesses and organisations within the culture and creative industries sector in Wolverhampton. The data comes from the Office of National Statistics' (ONS) Business Register and Employment Survey (BRES). This data excludes Freelancers who are not VAT-registered and people in creative occupations within non-creative businesses, for example an in-house designer within a manufacturing business. Therefore the total number of people in Wolverhampton who are active in culture and the creative industries, or who work creatively within other areas of the economy, is likely to exceed 2,642.

#### 4.1.3 The vast majority are micro businesses, with 0 to 9 employees (400). In addition, there are 5 small organisations (10 to 49 employees) and another 5 medium-sized (between 50 and 249 employees). Wolverhampton has a slightly higher

proportion of micro businesses in culture and the creative industries, than the national average (98% versus 95%).

- 4.1.4 An analysis of Wolverhampton's culture and the creative industries jobs by subsector compared to national figures shows that the city has nationally significant clusters in music, performing and visual arts, and museums, galleries and libraries. There are also reported strengths in publishing and advertising and marketing.

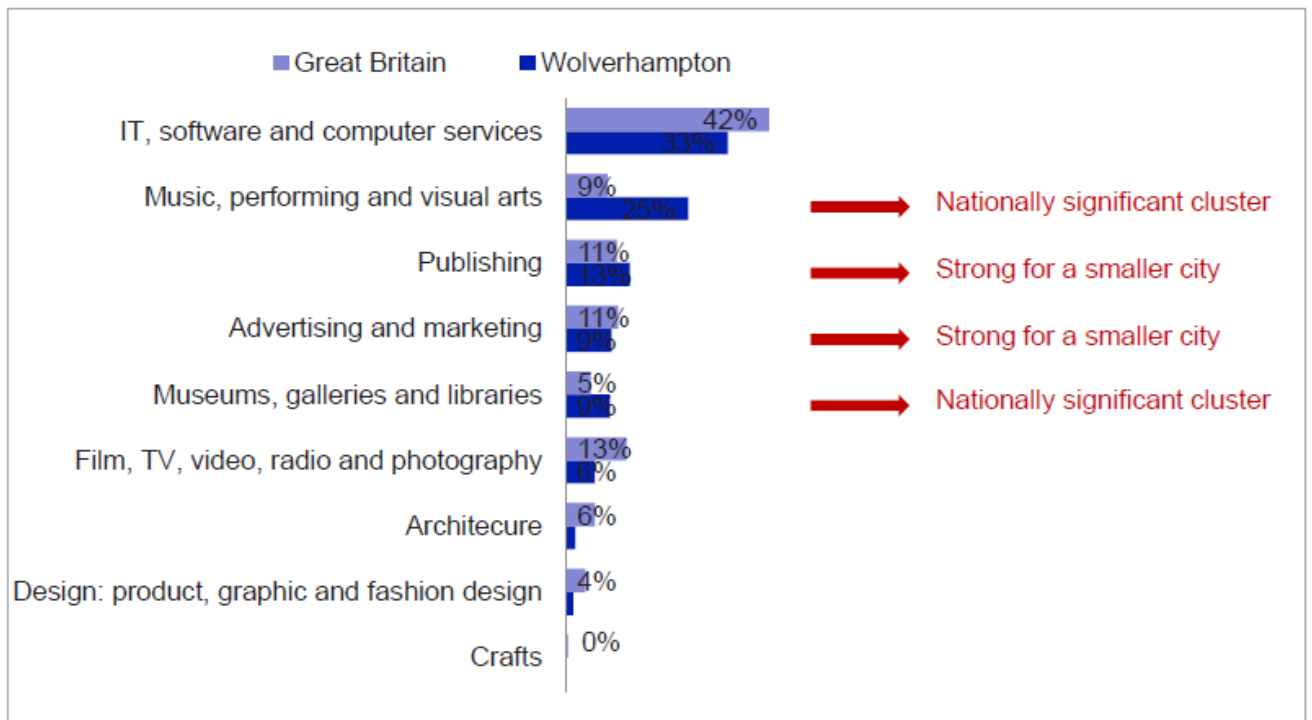


Diagram 1: Wolverhampton's culture and the creative industries jobs by subsector compared to national figures.

- 4.1.5 The report concluded that Wolverhampton had many of the 'building blocks' present for thriving creative businesses such as large cultural venues, University and College with excellent creative training, affordable space, however more needed to be done to develop a stronger creative business base and more small/medium sized creative businesses (rather than many micro businesses).
- 4.1.6 BOP therefore recommends that the Council and its partners respond by focusing on the following five Priorities over 2017-2021:

- Priority One: invest in upgrading cultural venues to improve the customer experience
- Priority Two: develop the skills and learning offer
- Priority Three: develop effective placemaking including a distinctive, imaginative public realm
- Priority Four: support creative businesses to flourish
- Priority Five: keep joining up efforts to ensure a strategic approach

4.1.7 A key risk to developing this sector is a low skills base in the city, particularly at level 4, which will limit local people's access to jobs in the creative and cultural sector.

## 4.2 Visitor Figures

4.2.1 The BOP report identified the strength of the cultural venues in Wolverhampton, from those that are run directly by the Council such as the Civic Halls, to other important cultural institutions to our economy such as the Grand Theatre and Racecourse.

4.2.2 Latest performance figures are as follows:

<b>Council operated venues</b>	<b>Attendance April 2016-March 2017</b>	<b>Comments</b>
Civic Hall	57,109	Halls closed for 9 months for refurbishment
Wulfrun Hall	11,595	Halls closed for 9 months for refurbishment
The Slade Rooms	25,313	
Wolverhampton Art Gallery	98,606	Various external and internal works had a negative effect on attendance
Bilston Gallery	9,324	includes all visitors to the gallery and craft play
Archives	4,919	In addition to physical visitors, many enquiries are handled remotely
Bantock House	33,997	Figure relates to all visitors entering the house, separate figures for the café are collected (104,982), however, double counting cannot be eliminated
City Events	44,367	Includes St George's Day, Vaisakhi, City Show, Wolvestock, Diwali, Bonfire night, Halloween and Christmas Lights Switch ons
Northycote	-	Base line yet to be established
Libraries	759,350	
<b>Total for Council operated venues</b>	<b>1,044,580</b>	
<b>Other venues in the city</b>		
Wolverhampton Wanderers	457,092	457,092 tickets were sold to home and away fans over these dates
Wolverhampton Racecourse	120,000	

Grand Theatre	279,938	Ticketed 82,623, Non ticketed participation/engagement 1,388
Arena Theatre	10,960	
Newhampton Arts Centre	64,444	
Light House Media Centre	56,962	34,811 ticket purchasers, 15201 gallery attendances, 6200 University students, 750 Deaffest
<b>Total for other venues in the city</b>	<b>989,396</b>	
<b>Total across the city</b>	<b>2,033,976</b>	

4.2.4 Libraries in the city have seen a 12% increase in visits from 2015/16 to 2016/17, bucking the national trend.

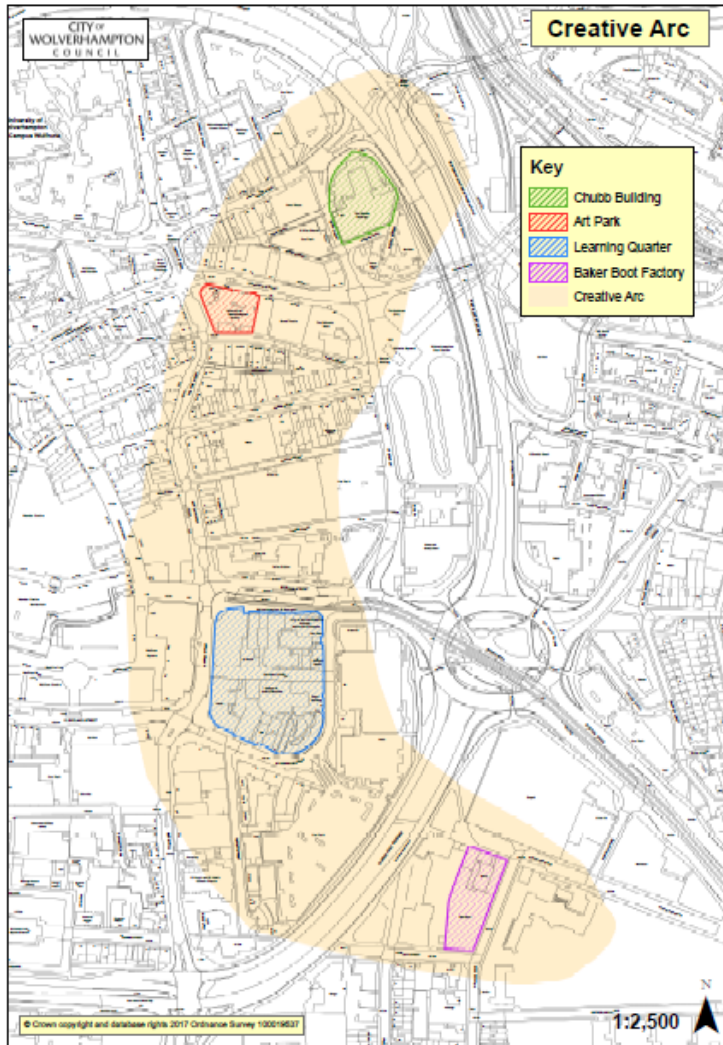
4.2.5 The Business Improvement District (BID) for the City Centre is collating data for the city centre including footfall counters on Dudley Street. This will capture increased footfall resulting on the investment in the city. An update will be provided at the meeting.

4.2.5 The Visitor Economy team is working with partners to deliver the city's events programme through an enabling role by supporting organisations to deliver events. Examples of success including the partnership with the Racecourse for Bonfire night.

### 4.3 City Centre

4.3.1 The city has ambitions to bring forward a digital and creative arc in the North-East area of the city centre, including cultural assets to the North such as the Chubb building and Art Gallery, the University led Art Park scheme, round to the proposed City Learning Quarter and the Baker Boot Factory.





#### 4.4 Gen Y City

- 4.4.1 Through membership of the EURO CITIES network, Wolverhampton was invited to participate in a project application for funding under the URBACT III call, which offers 70% EU funding to support network development for exchange of best practice amongst different European partners on urban development issues.
- 4.4.2 The city is now one of 12 partner cities in phase two of the project to explore strategic policy solutions to increase the economic impact of under 30's in the city through workshops, research and case studies. Wolverhampton hosted a workshop of the 12 cities in September 2016.
- 4.4.3 Participation in Gen Y City gives us the opportunity to learn from best practice elsewhere whilst contributing to key Council priorities, in particular developing an environment where new and existing businesses thrive and supporting people to develop the skills to get and keep work.
- 4.4.4 The overall purpose of the Gen Y City project is to develop, retain and attract young people through:

- **Developing creative tech talent:** start young at school to inspire young people to study STEAM (science technology engineering arts and maths) subjects. Work with businesses to promote and support young people to aspire to the range of opportunities in these areas. This will help develop young people to meet future business needs.
- **Retaining young people:** through creating opportunities/pathways for young people to jobs or self-employment. To understand the skill sets required by businesses in the creative tech field and ensure that there is the relevant training.
- **Attracting creative tech talent:** relates to developing the offer to innovative businesses. Understanding the criteria which determine where these businesses decide to locate and where the gaps in the local offer are. This will enable us to offer better support to businesses who in turn offer the right opportunities to attract people to live and work in Wolverhampton. In addition, look at the way this is communicated. The University actively promote itself to international students through their international offices.
- **Placemaking:** crucial to develop a vibrant place where young people want to live, work and play. Examine the cultural and lifestyle offer that the city provides.

4.4.4 Participating cities develop Individual Action Plans. Wolverhampton's focus is around maximising the benefits of Wolverhampton's heritage and culture and creating a Smart City which is attractive to tech companies and young people.

4.4.5 As part of the project, URBACT funds a series of workshops to share best practice to develop projects which help deliver our priorities. The most recent workshop in Coimbra was focused on creating jobs for young people to keep them in our cities. As a result of the workshop, a number of potential projects have been identified including:

- **Creative business research** – to improve understanding of needs of creative businesses and their skills requirements.
- **Student survey** – to improve understanding of what millennials consider important when choosing to move into or out of the city.
- **Gen Y News Platform** – developing a media platform which could create a legacy to improve the visibility of the creative tech sector in Wolverhampton.
- **Networking support** - explore the potential for events and meet ups to create support and opportunities for sharing information and resources. These could include informal evenings, Hackathons and awards.
- **Digitalising Libraries** - to engage young people and inspire creativity.
- **Smart City** - including digital citizenship panels, co-create/hackathons, crowdsourcing and open data; citizen reporting apps; citizen tools.
- **Funding support** - explore opportunities for funding from grants and funding angels including crowdfunding

4.4.6 Wolverhampton is currently hosting a work placement from Coimbra. The student was involved in the development of the **challenges of Gen Y Survey**

which ranked a range of services and quality of life issues and identified areas that needed addressed to encourage young people to stay. This learning is being applied to Wolverhampton.

- 4.4.7 The next workshop in Bologna in July 2017 will focusing on early years' inspiration of creative tech talent and identifying common actions to develop project specifications to submit for further funding.

#### **4.5 'Hackathon' / Smart City Competition**

- 4.5.1 As part of Wolverhampton's Smart City Programme, a Smart City Competition based on a 'hackathon' approach is proposed to be held in the Autumn aimed at solving challenges utilising technology.
- 4.5.2 Hackathon events originated in the IT sector to bring people with technical backgrounds together to work in teams to focus on a critical challenge and collaboratively code a solution. In recent years, this type of event has become more widespread, especially amongst public sector organisations such as the National Health Service (Hack Day) and charities (Give Backathon). These events attract participants from diverse backgrounds to come together with positive ideas about change and innovation. Teams aim to produce a project, product or service to resolve an issue to improve the city. The tight timescales of often one or two days encourages partnership, innovation and creativity towards a shared goal.
- 4.5.3 This method of public engagement invites local people and organisations to bring their ideas forward. Data and information will be shared shortly before the event to prepare participants for the challenge. This will ensure attendees are equipped with the facts they need to prepare an innovate and feasible idea. The community led ideas submitted will be judged on suitability for the city's needs. The successful idea/s that save or generate expenditure, facilitate corporate objectives and bring about a new and smart way of tackling the challenge presented will be supported to be delivered.
- 4.5.4 A number of engagements have taken place to inform the planning for the Hackathon event. An outline of the Hackathon has been taken to the City Board and Economic Growth Board to gain feedback from members and partners. It was also presented to the Gen Y City project group. We have also welcomed feedback from the University of Wolverhampton's Hac Soc, a society that regularly organises their own hackathons in the form of 'Code Jams' and 'Datafest' which have attracted over 120 participants and facilitated partnerships with organisations such as West Mercia Police.

## 4.6 Cultural and Visitor Economy Performance Board

4.6.1 The Service Director, City Economy chairs the internal Cultural and Visitor Economy Performance board that has recently been established. This is an internal group which meet monthly, and works thematically across the council to ensure that performance against this agenda is monitored.

4.6.2 The Board oversees six programmes under which work is progressed, which are:

- Strategy development
- Creative Places Venue Improvement
- Exhibitions and events programme
- Libraries transformation
- Conference City
- Creative Economy (business support and skills development)

## 5.0 Financial implications

5.1 The development of the cultural, creative and visitor economy strategy will be met within existing resources. Where there are specific programmes or projects identified as priorities for the city, the financial implications of these will be reported separately to the relevant decision making body.

5.2 Costs of participating in Gen Y City is funded by URBACT III, matched by Council staff time as detailed in the table below. All additional costs of hosting the workshop will be claimed back from URBACT III.

Expenditure	2017	2018	2017	2018
	Euro 000's		£000's	
Staff costs including office & admin	10.5	3.4	9	3
Staff travel and accommodation	5	1.3	4.5	1
External expertise and services	7.5	3	6.5	3
Total	23	7.7	20	7

Based on exchange rate 0.87  
[HM/08062017/S]

## 6.0 Legal Implications

6.1 The Council's participation in this trans-European project required it to enter into a partnership agreement in order to draw down the allocated funding to participate in the project. Wolverhampton City Council's membership of the EURO CITIES network provides assurances against any risks from the partnership, as does the rigour of URBACT funding requirements on the accountable body and project lead, the City of Poznan. [Legal Code: TS/05062017/Q]

## **7.0 Equalities implications**

- 7.1 Involvement in such projects can have positive equalities implications, for example the Gen Y City project is focusing on supporting young unemployed to benefit from opportunities in creative industries. An equalities impact assessment will be undertaken when identifying the priorities for Wolverhampton in developing a creative, cultural and visitor economic strategy

## **8.0 Environmental implications**

- 8.1 Some online / email activity and video conferencing will ensure minimal travel. Wolverhampton City Council's involvement in trans-European projects opens up opportunities to participate in projects around sustainability and the low carbon agenda.

## **9.0 Human resources implications**

- 9.1 There are no human resource implications.

## **10.0 Corporate landlord implications**

- 10.1 There are no corporate landlord implications.

## **11.0 Schedule of background papers**

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