



## Now we are 10... Supporting Talent into Enterprise for London's Creative Sector, 2004 to 2014

May 2014

## Introduction

This short report is a follow-up to Supporting Talent into Enterprise, the research study on London's creative industries voluntary learning organisations, published exactly ten years ago. It also draws on Julian Sefton-Green's 2008 report for London government which further articulated tensions and ambitions<sup>1</sup>. Without a body such as the London Development Agency to commission or fund another such study, the research described here has itself been done on a voluntary basis, with generous support from BOP Consulting and other individuals. It is hoped that the report will raise awareness and stimulate public debate around the role of voluntary and non-statutory learning organisations and their role in delivering on a range of policy objectives.

## Looking Back to 2004

In May 2004 the London Development Agency published its Supporting Talent into Enterprise Programme (STEP) report. Produced by BOP Consulting and Dr Denise Stanley, this report defined the main features of a range of community arts and training organisations as London's 'non-formal learning sector' (NFLS) for the cultural and creative industries. Perhaps better described today as the creative industries voluntary sector, many of these organisations grew out of the community arts movements of the late 1970s and early 1980s, developing into and also spawning a large number of learning providers across the city. These organisations evolved through changes in London's political and strategic landscape into a sector that is substantial in size, locally rooted in communities, led by creative industries practitioners, driven by social inclusion, and delivering a wide range of activities to learners.

The commissioning of the report followed directly from the Mayor's Commission on the Creative Industries, an inquiry into how best to support the growth of London's creative industries held over the course of 2003<sup>2</sup>. A central finding from the Commission was that the growth of the sector had occurred unevenly, with the enterprise and employment benefits not being experienced by all Londoners, but that voluntary learning organisations were an important means of trying to ensure opportunities for all. The STEP report provided the foundations for an ambitious programme of support and investment by London government. More than this, however, it provided creative industries voluntary organisations an unprecedented visibility and

recognition. Policy makers and government officials working in fields such as skills, regeneration and employment support with little experience or knowledge of the creative industries, began for the first time to see that this sector could be an important means of addressing long-standing objectives, such as tackling unemployment or rehabilitation in the criminal justice system.

For many of those working in London's creative voluntary sector, it was an exciting time. There were significantly increased levels of public funding, a new interest from academic educationalists and policy makers and a range of support agencies all recently established such as the London Development Agency (LDA), Creative Partnerships, Film London and the Sector Skills Councils. At the same time cultural bodies such as the Arts Council were increasingly recognising the importance of non-formal centres of creative production and performance.

Yet although the increased visibility and funding was welcomed, the relationship with the investment bodies overseeing them remained problematic. The skills and employment funding provided by the LDA was considerable, but so were the metrics, the targets and the constraints that were imposed alongside them. The funds associated with the European structural programmes were even more onerous.

The incoming Prime Minister David Cameron did not mention arts or culture in his famous Big Society speech of 2009, but he certainly expressed sentiments that many in the voluntary cultural sector would have endorsed. When he said that the civil service needed *"people capable of engaging with social entrepreneurs and civic institutions who can agitate and encourage social action, and help people to build the type of sustainable organisations we need"*<sup>3</sup> he could almost have been talking about London's creative learning organisations.

It is perhaps no wonder, then, that many were cautiously optimistic about the UK's changing political landscape, with the election of a Conservative Mayor in 2008 and the Conservative-Liberal Coalition government in 2010. If the last decades of the twentieth century had seen political indifference and funding hardship, and the first decade of the 21st had seen significantly increased public funding alongside greater scrutiny and mechanistic targets, then perhaps a new government could finally find a way to get the best from the voluntary sector.

---

<sup>1</sup> [http://www.julianseftongreen.net/wp-content/uploads/2008/07/seftongreen\\_NFLS\\_essay.pdf](http://www.julianseftongreen.net/wp-content/uploads/2008/07/seftongreen_NFLS_essay.pdf)

<sup>2</sup> <http://creativeindustrieslondon.wordpress.com/reports-and-publications/mayors-commission-on-the-creative-industries/>

---

<sup>3</sup> Although removed from the Conservative Party website, a full transcript of the speech can still be found at [www.respublica.org.uk/item/ResPublica-mentioned-in-Camerons-speech-ggtr](http://www.respublica.org.uk/item/ResPublica-mentioned-in-Camerons-speech-ggtr)



## The London Cultural Voluntary Sector Today

Ten years on from the STEP report, little of that optimism remains. The shutting down of public agencies such as the LDA, the UK Film Council and Museums, Libraries and Archives Council, along with significant cuts in the Arts Council and local government have all directly impacted on public funding for voluntary organisations working in the cultural and creative industries.

Furthermore, despite the rhetoric of the Big Society, it would seem that public funders have become less rather than more open to working with the voluntary sector. Following the Mayoral elections in 2008, a new executive management team was quick to implement a 'commissioning model' pioneered in local authorities such as Westminster and Wandsworth, in which contracts for the delivery of government defined outputs were procured, and payment was on the basis of delivery. As a result, skills and employment contracts are increasingly awarded not to small, sector-specific voluntary organisations, but large corporations such as Serco and G4S with the required organisational processes and financial resources to deliver them.

To see how the STEP organisations had fared over the last 10 years in this changing climate, we carried out a version of the original survey to see how the sector might now describe itself.

### i) Just Getting on With It

In many ways, the creative industries voluntary sector does much the same things it always has done, with just over 45% providing some form of accredited learning, and 55% providing unaccredited instruction. Just over 60% of organisations deliver these programmes at free or nominal cost to participants, with another 18% offering a combination of free and paid-for courses. Some 47% of organisations run programmes exclusively for over 16s, with 43% running them for both over and under 16 year-olds

In this regard, it is little changed from 2004. Although it is worth noticing that in the last ten years there seems to have been a drop in the number of organisations providing audio/music training and a commensurate rise in those offering design and art. This may in part reflect the increased demand and interest in digital and interactive design.



**Figure 1: Proportion of Respondents Offering Activities by Sector**

Creative industry sub-sector	2004 Survey	2014 Survey
Performing Arts	56%	55%
Audio/Music	53%	34%
Digital Arts and New Media	47%	38%
Video, Television and Film	42%	38%
Design and Art	35%	59%

Source: BOP Consulting 2004 & 2014

Similarly, the learning activities delivered by organisations remains much the same: predominantly education and skills, but also a wide range of associated activities such as mentoring, careers advice and guidance, start-up business support, referrals to industry and promotion of creative work. Perhaps not surprisingly, the one significant change is that some 20% of organisations in 2014 now offer Accredited Apprenticeships, reflecting the new profile and government funding for such programmes.

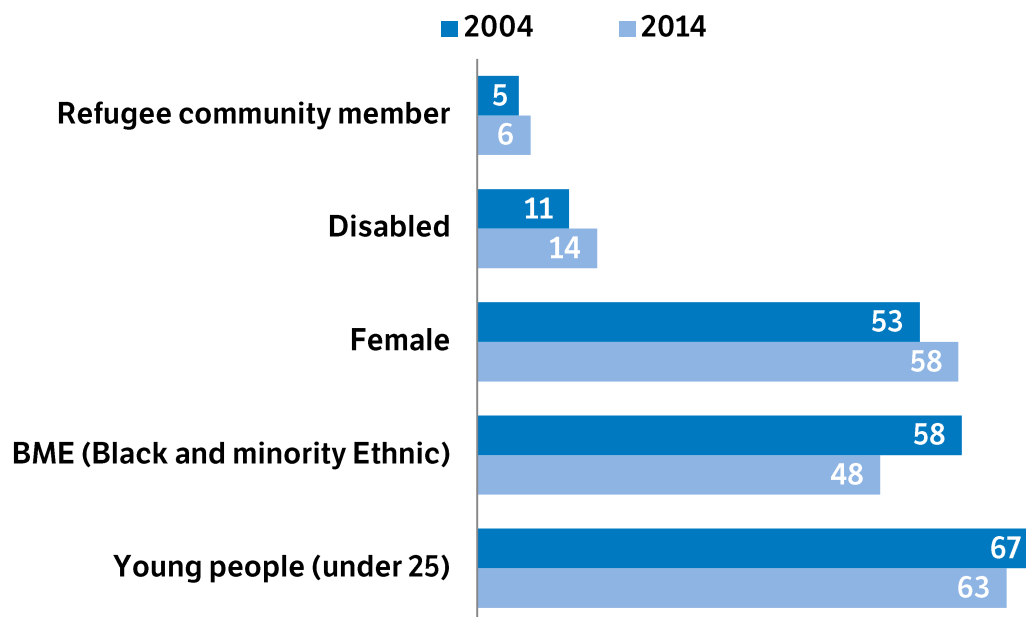
## ii) The Participant Profile

One of the key features of the cultural voluntary sector identified in 2004 was its strong rootedness, and connection to the local community. This is something that, again, does not seem to have changed. In 2004, 47% of participants were local borough residents and 30% resided in neighbouring boroughs – in 2014 it was 58% and 25%. Similarly, the participants for voluntary cultural organisations are drawn from approximately the same demographic groups as shown in figure 2.

As with 2004, the voluntary sector is still effective at attracting Black and Minority Ethnic (BME) participants, with 48% of learners in organisations surveyed drawn from BME communities, albeit down slightly from the 58% previously. They continue to serve a high proportion of disabled participants – 14% of learners in organisations are disabled, with some organisations having 100% disabled learners while many others run activities specifically for disabled learners, forming part of their programme. They also reach out to the most marginalised – 6% of participants in surveyed organisations are refugees.



Figure 2: Profile of organisation participants



### iii) The Funding Profile

As shown below, the funding profile for the cultural voluntary sector has changed considerably over the last ten years. In particular, local and regeneration funding, which together made up than 40% of funds in 2004, have halved. At the same time, the proportion of funding from trusts, private donors and earned income (e.g. from participants fees) have all increased.

It is not possible from the table above, or from the survey results, to ascertain if, in terms of the actual amounts, the larger proportional funding from private sources and trusts has compensated for the fall off in public funding. We know that private funding for the arts and cultural sector as a whole has by no means increased in this period - according to the annual survey run by Arts & Business, business donations peaked in 2007 and have fallen significantly since then although funding from trusts and foundations has held up slightly better<sup>4</sup>. The relative reduction in public sector funding, and regeneration funding in particular, probably accounts for the fact some 49% of funding is now renewed annually, rather than 42% in 2004. This shorter cycle can put considerable demands on organisations, particularly small ones, with managerial resources dedicated to funding applications rather than programme delivery.

This is an important consideration for, as the graph below makes clear, many of the organisations are of a small size and lack capacity. More than 40% of those surveyed had a turnover of less than £200,000, and 20% less than £100,000<sup>5</sup>. In these circumstances, making funding applications, implementing monitoring, reporting and evaluation systems and attracting private funders are all extremely challenging and disruptive to delivery.

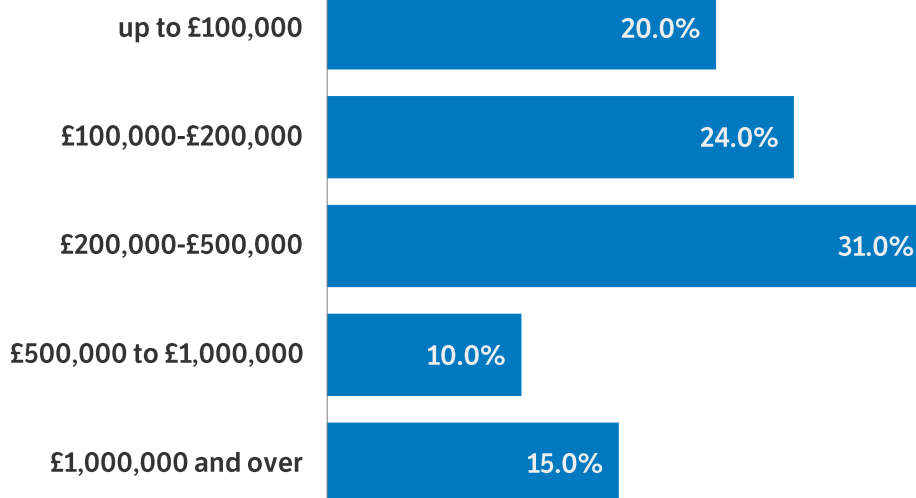
Figure 3: Funding Profile of Organisations by Source

	2004	2014
Local government	21%	9%
National government	6%	10%
Private donors	6%	11%
Earnings	13%	20%
Trusts/Foundation	15%	23%
Arts funders	19%	16%
Regeneration/ Econ development	20%	10%

Source: BOP Consulting 2014 & 2014



Figure 4: Average Turnover of Surveyed Organisations in 2014



<sup>4</sup> Arts & Business Private Investment in Culture Survey, <http://artsandbusiness.bitc.org.uk/research/latest-private-investment-culture-survey-201112>

<sup>5</sup> It should also be borne in mind that there is likely to be a methodological bias in the survey such that larger organisations have a disproportionate over-representation

#### iv) The Continued Need?

While the voluntary sector may have stagnated and lost visibility and support, the demand for what it provides has by no means gone away. In fact in many ways it has only increased. Nationally, the unemployment rate currently stands at 2.33 million or just under 7% of the working population, compared to 1.44 million, less than 5% of the workforce, ten years ago. In London, figures, the number of NEETs (not in employment, education or training) in London aged between 16 to 24 is 128,000, or almost exactly the same now as it was in 2004 – a startling figure, given that since then the compulsory school leaving age has been raised to 18.

At the same time, London's creative sector has continued to expand over this period. According to the most recent figures from GLA Economics<sup>6</sup>, published in 2010, London's creative workforce is over 600,000 – an increase of more than 20% since 2004 and with employers across the sector demanding new entrants with creative, technical and business skills. Both the sector skills councils for the relevant industries, Creative and Cultural Skills and Creative Skillset, regularly report on skills gaps. At the same time commentators regularly continue to berate the industry for failing to reflect the diversity of the

UK. The proportion of BME workers in the creative industries stands at 16%, compared to 26% across all industries, while women in the creative industries make up 35% compared to 43% in all sectors. With its long-term history and track record of engagement with hard-to-reach groups, creative industries voluntary organisations remain in a strong position to work with such communities, helping them develop the creative skills.

## What Happens Next? Some Questions

What is certain is that the activities provided by the creative industries voluntary sector will continue to be needed. The research findings summarised in this report, as brief as they are, underline this. There remains a vital role for organisations rooted in their local communities, linked to industry employers and a track record of engaging and working with those young who are often most disadvantaged and excluded from formal education.

However, what remains far less clear, is how government can best work with such voluntary organisations. In this respect there would seem to disappointingly little progress since 2004. The political landscape, both nationally and in London, may be very different in 2014, but the challenges endure. In particular, the following crucial questions need to be addressed:

1. How can voluntary learning organisations undertake sufficient quality assurance and ensure there is robustness in their systems, allowing them to compete better in the current climate?
2. If so, how can they retain the distinctiveness of their provision and the ability to work with excluded and minority populations?
3. What kinds of research and evidence need to be undertaken for the voluntary organisations to demonstrate their value and the distinct offer they provide?
4. Given the kinds of systems and organisational resources required to deliver large public sector contracts, how can small voluntary organisations increase their capacity?
5. Given the increased dependency on private and business donors, how can voluntary organisations better position themselves towards them?
6. Where and how can creative industries voluntary organisations best influence public policy debate?

---

<sup>6</sup> London's Creative Workforce: Update (GLA, 2010)  
<https://www.london.gov.uk/priorities/business-economy/publications/working-paper-40-londons-creative-workforce-2010-update>



## Methodology and Credits

This report was written by Gregg Hutchings, Tom Campbell and Dr Julian Sefton-Green, with support from BOP Consulting. The postal questionnaire used in the original 2004 was updated and made available as an online survey, running from January-February 2014. Every organisation that participated in 2004 was contacted and asked to complete the survey, while a number of bodies helped to promote the survey through their networks and across social media channels. Although every effort was made to reach as many as possible, it is likely that the relatively more established and larger organisations had the capacity to actually respond. In all, some 41 organisations responded to the survey. Given that in 2004 it was estimated that there were approximately 250 non-formal learning organisations in London, this would seem to be a sufficient proportion for robust findings.

**Gregg Hutchings** has 10 years of experience of working across the social policy and cultural sectors. At BOP, Gregg leads research projects including the evaluation of Arts Council England's Catalyst Fund. Previously, Gregg was the Director of Policy and Partnership at Legacy Trust UK, leading on the development of cultural and educational programmes aiming to engage communities as part of the London 2012 Games.

**Julian Sefton-Green** is an independent scholar working in education and the cultural and creative industries. He is currently Principal Research Fellow at the Department of Media & Communication, LSE and a research associate at the University of Oslo. Julian has worked as a schoolteacher, in teacher training and in the informal education sector. He has researched and written widely on many aspects of media education, creativity, new technologies and informal learning.  
[www.julianseftongreen.net](http://www.julianseftongreen.net)

**Tom Campbell** is an independent consultant, working in the fields of cultural and creative industries and economic development. Previously, he worked in London government, leading on the production of the Mayor's Cultural Strategy (2010) and prior to this as Head of Creative Industries at the London Development Agency, where he managed the team responsible for making investments intended to support London's creative industries.

Photo credits:

Front cover – WAC Arts, Gareth James

p3 – SE1 United

p4 – Anna Reynolds Photography

p5 – BFI Academy