

Institution: London Metropolitan University
Unit of Assessment: 19 – Business and Management Studies
Title of case study: Cultural and Creative Industry Clusters and City Growth
<p>1. Summary of the impact</p> <p>This case study relates to research on cultural and creative industry clusters at local, sub-regional and city-region scales. Our work was highly influential at a critical moment in the evolution of creative cluster policies in London and Toronto and subsequently the rest of the UK, by influencing the development and implementation of the Creative London/Toronto strategies. Through collating and evaluating international comparative evidence the project enabled critical assessment of an increasingly popular planning strategy. Likewise by systematically applying geographical methods to the study of creative clusters this work offered methodological rigour to local intra-city analysis absent from the wider policy debate at that time.</p>
<p>2. Underpinning research</p> <p>This body of work documents a critical reappraisal of the spatial cluster concept as applied to the cultural and creative sectors and therefore of strategies adopted by city-regions and sub-regions to promote local economic growth. It does so through enquiry into the specific dynamics of cultural and creative cluster formation, through empirical investigation into the variety of cultural and creative industries which combine in spatial clusters, and through an examination of the diversity of approaches to creative cluster strategy development. The research investigated the key underpinning concepts and evidence of (post)-industrial spatial clustering (agglomeration) of firms within and across the sectors of the cultural and creative economy, critically testing Michael Porter's assumptions about clustering, inner city growth theory and its application at the city-regional and local intra-city scales. It revealed both strengths (significant place based interaction between firms, the role of institutions, pooling of talent and skills) and weaknesses (role of large firms and institutions, high risk, fluid and project based working highly dependent on both weak and strong social ties, diversity within cultural and creative practice and the dependence on complex city contexts) in the application of the cluster concept to cultural and creative industries. The work also reassessed the extent to which cluster growth theory is directly transferable to the UK policy context and, in particular, its inner city locations suggesting nuanced policy and planning approaches which reflected the local specificity and evolution of urban creativity. This body of work's assessment of the effectiveness and rationale for public policy intervention in creative industry clusters and place-based creative quarters revealed (at the time) a traditional and limited approach to economic development not well-suited to cultural and creative SMEs nor to new forms of creative and emerging digital innovation. It also identified considerable confusion between social and area regeneration objectives and those of employment and firm growth. Building on the earlier research which provided a critical assessment of 'culture-led' regeneration this body of work brought out a contradiction between the goals of culture-led regeneration and those of industrial renewal. As such it not only pointed to a growing tension between the relatively new goals of cultural regeneration and those of creative industrial development but also pinpointed the sources of this tension in unclear distinction between cultural and creative industries within urban policy. Research analysis included an international comparative analysis of city-regional policy and strategies. Convergence was found in policy approaches and objectives, with a typology of interventions proposed. Further analysis distinguished between larger and smaller cities providing empirical confirmation of the difficulties of uncritical policy transfer. Although this had been debated in general terms elsewhere this research contributed early international empirical evidence of the diversity of cultural and creative clusters and their underpinning policy objectives. It was also differentiated by its approach to positive policy and planning responses and its recognition of the need for locally specific and original alternatives to the 'creative city' and 'creative class' paradigms which captured the positive potential of new urban economies.</p> <p>The research on London's east end and local city growth strategies identified a mismatch between employment growth (and decline) amongst prioritised creative sectors, and access to 'creative' jobs by local people. Latterly this research has documented how new forms of (digital) entrepreneurship in creative sector-led clusters can self-organise and develop SME firm innovation and knowledge spillovers in inner city areas. Published research findings stress the importance of</p>

locally informed policy to support access to emerging labour markets and entrepreneurial opportunities. Detailed good practice and lessons learned reports disseminated the comparative research findings to a wider user audience internationally. Research techniques and methods which underpinned this work included quantitative spatial data analysis using GIS drawing on a wide range of published and bespoke data sets to produce a rich resource which has been exploited for further research and collaboration with end-users through HEIF and other programmes. This spatial data was validated and enhanced with qualitative research with SMEs, intermediary and government agencies over several years, including individual and group (cluster) interviews and longitudinal evaluation of change against policy intervention and public investment programmes.

Dates carried out:

1. Creative Spaces (2006-8)
2. City Growth and Creative Clusters (2005-10)
3. Digital Economy (2011-2013)

3. References to the research

- Evans, G.L. (2005) Measure for Measure: Evaluating the Evidence of Culture’s Contribution to Regeneration, *Urban Studies* 42 (5/6): 959-984 (185 Google citations)
- Bagwell, S. (2008) Creative Clusters and City Growth *Creative Industries Journal* 1(1):31-46
- Evans, G.L. (2009) Creative Cities, Creative Spaces and Urban Policy, *Urban Studies* 46(5and6): 1003–40 (**Ranked 1 ‘Most Read’ article in 2010 (June 2009-December 2010), Ranked 5 in January 2013) – (178 Google citations)**)
- Foord, J. (2009) Strategies for Creative Industries: An International Review, *Creative Industries Journal* 1(2): 91-114
- Foord, J. (2011) Creative London: New Directions *PLANERIN: Creative Economy as an Urban Challenge German/English*
<http://www.srl.de/publikationen/planerin/artikelverzeichnis/1301-planerin-1-2011-hoffnung-kreativ%C3%A4t.html>
- Foord, J. (2012) ‘The New Boomtown? From Creative City to Tech City in east London’, *Cities: International Journal of Urban Policy and Planning* Vol 33 51-60
<http://dx.doi.org/10.1016/j.cities.2012.08.009>

The following grants were awarded to the **Cities Institute** relating to 1-3, above [investigators, £ value]:

- London Development Agency/Toronto/Ontario Provincial Government - Creative Cities: Strategies for Creative Spaces, 2006-7 [Evans, Foord £73k] **1.**
- City Fringe Partnership, 2007-10, [Bagwell, Foord, Evans, £64k] **2.**
- Creative Lewisham [Foord, Evans, 2009, £10k] **2.**
- Higher Education Innovation Fund (HEIF4) *Knowledge Transfer for Local Economic and Area Development (KT-LEAD)*, 2009-11. [Bagwell, Foord, Evans £100k] **2. and 3.**

4. Details of the impact

The impact arising from this strand of research has been as follows:

- Evidence-based policy-making (local, regional authorities and agencies)
- Evaluation of policy interventions and investment appraisal
- Creative firm (SME) cluster formation (innovation/knowledge transfer).

Users of this body of research welcomed the international comparison and empirical application of geographical methods to the emerging study of city creative economies. The thorough documentation of international comparisons of clusters and cluster strategies in the cultural and creative sectors as well as the rigorous study of creative clusters in London provided critical evidence at a time when policy claims for both clustering and the cultural and creative industries were commonplace. One user stated “The combination of data-based GIS methods, comparative analysis, and systematic data-gathering, made the Institute’s work so useful.... this is standard practice elsewhere, but in the specific field of culture and creativity, it really was very novel”. Indeed the time of the research and its dissemination was particularly relevant: it came immediately post the first flush of creative quarter experiments when there was no adequate methodology or causal model for understanding what would lead to successful support of either creative clusters at the city level or creative industries at the national level, nor what the connection

Impact case study (REF3b)

was between the two. Our work allowed city policy makers, particularly in the UK at the GLA and LDA and in Canada in Toronto, to formulate locally informed understandings of what leads creative enterprises to cluster. It also highlighted the essential role of the detailed collection of evidence in successful policy formulation. This research “allowed us to think in a systematic way about which initiatives would work and which would not.” This early research lent itself to positive economic spatial planning approaches, unlike other leading approaches which advocated the prioritisation of local community-cultural development. *Policy practitioners* were not only interested in SMEs but in all sizes of investors taking a lead from the research which pointed to the roles of both large and small investors in generating spatial clustering of economic activity. Policy frustration with the limited impact of policies directed only at small cultural businesses was challenged by the research’s recognition of the critical role of anchor institutions. A further key impact of the research was the conclusion that practical planning decisions (zoning, permission, strategic directives) were critical in mobilising and retaining creative enterprise within established and emerging cultural-creative clusters. The cities of London and Toronto were at the forefront of practical development of creative cluster policies (an approach which had widespread international influence) and this research was closely related to that process. Indeed “Creative London and Creative Toronto were at the cutting edge of the most advanced policy initiatives of the time. Examples and evidence of these impacts and their dissemination are noted in 5. below. These include the Creative London (LDA) and Toronto/Ontario collaborative research producing a series of six city case study reports, Lessons Learned and international scoping studies, widely cited in policy, strategy documents, as well as academic sources. These were also used by UNESCO in their new Creative Cities Network. Baseline and periodic longitudinal impact and evaluation studies for the City Fringe area City Growth strategy provided in depth qualitative and quantitative/ spatial data analysis of clusters and cluster based local economic development initiatives for local and regional (London) decision-makers. With the support of HEIF project funding, local area analyses directly engaged and supported small firm support and investment strategies elsewhere in London (Creative Lewisham, 2009) including direct collaboration with creative firms (e.g. Cockpit Arts, 2009) on the effectiveness of their property and enterprise development activities.

The expertise gained through the research insights led to the appointment of Evans by the OECD to their Territorial Review of the Copenhagen Capital Region where he led on the creative economy assessment and review (2010). Similar reviews were undertaken for Gimhae and Seoul (‘cities of design’), S.Korea (2011). In addition to extensive international academic conferences high profile dissemination to policy-makers, practitioners and firms took place at public and invited events in Toronto, New York (2005/6) as well as London. Presentations of this work has been made to successive international Creative Clusters conferences (2004/6/8/10) and to the Evaluation Society, ISBE and RENT (Maastricht), conferences reaching policy makers and practitioners in economic and enterprise development. The impact of the research on the creative digital cluster primarily highlighted the new hybrid digital economy and the role of self-organising clusters and research outcomes have been incorporated in cluster activities at the Digital Shoreditch Festival/Summit (May 2011, 2012 and 2013), on public videos (YouTube), the Parliamentary Roundtable on Design and Innovation (Nov.2011, with Dianne Abbott MP); and East London Summit Tech City Panel (Nov.2011, with Cisco and Tech City) at which contributions were made to the debates on new forms of arms-length policy intervention as well as impact on local communities. Interest in the findings of the detailed analysis of creative and digital clusters in London has led to citation in debates about Tech City in east London (see Nathan, Vandore and Whitehead below). Furthermore interest in the methodological approach has led the regional economic development agency for Paris, IAU Isle de France to embark on a joint study with ourselves to replicate the London cluster analysis for Paris to provide a new international comparative analysis. This will form part of the evidence base for economic policy formulation in Paris, particularly on the digital economy.

5. Sources to corroborate the impact

- 2006 *Creative Spaces: Strategies for Creative Spaces*: Executive Summary and Lessons Learned Report. Creative London, LDA; Ontario Province and City of Toronto (with Prof.Gertler, University of Toronto) <http://www.britishcouncil.org/russia-projects-cultural-creative-economy-useful-resources-strategies-for-creative-spaces.pdf>
- 2006 *Creative City Case Study: Berlin* Creative London, LDA; Ontario Province and City of Toronto, pp.43 (with Antje Witting) http://www.citiesinstitute.org/library/q70420_3.pdf

Impact case study (REF3b)

- 2006 *Creative City Case Study: Barcelona*. LDA; Ontario/City of Toronto
http://www.citiesinstitute.org/library/f39860_3.pdf
- 2006 *Creative City Case Study: London*, LDA/Ontario/City of Toronto
http://www.citiesinstitute.org/library/y41002_3.pdf
- 2005 *Creative Spaces Phase I Scoping Study*. LDA Creative London / City of Toronto (with Prof. Meric Gertler, University of Toronto) all from: www.citiesinstitute.org/projects/creative-spaces-strategies-for-creative-cities.cfm
- 2006 *City Fringe City Growth Strategy Baseline Report*
<http://www.citiesinstitute.org/fms/MRSite/Research/cities/Publications%20prior%20to%202009/CGS%20Baseline%20Report.pdf>
- 2009 *City Fringe City Growth Strategy Final Report*
<http://www.citiesinstitute.org/fms/MRSite/Research/cities/Publications%202010/City%20Fringe%20Partnership%20City%20Growth%20Strategy%20Final%20Report.pdf>
- 2009 *Territorial Review Copenhagen*, OECD www.citiesinstitute.org/library/l47174_3.pdf
- 2011 *Mapping the Digital Economy*, Digital Shoreditch
www.citiesinstitute.org/fms/MRSite/Research/cities/Publications%202011/Mapping_the_Digital_Economy_90520112.pdf
- 2011 *Place and Space What's Happening in East London?*
<http://www.policyconnect.org.uk/apdig/events/design-tech-city-i>

Selected Policy Citations

- Nathan, M. Vandore, E and Whitehead, R. (2012) *A Tale of Tech City: The Future of the Inner East London's Digital Economy*, Centre for London/Demos
- Creative Nova Scotia Leadership Council (2012) *Creative Economy Review*, Nova Scotia Department of Communities, Culture and Heritage
- O'Conner, J. (2010) *The Cultural and Creative Industries: A Literature Review*, Creativity, Culture and Education. 2nd Edition
- Istanbul City Change-City of Culture (2010) <http://www.labkultur.tv/en/blog/istanbul-new-global-scene-creative-industries>
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- CREATIVE METROPOLES: Situation analysis of 11 cities. *Final Report European Regional Development Fund /INTERREG IVC programme* www.creativemetropoles.eu
- Scottish Creative Industries Partnership (2010)
<http://robinmacpherson.wordpress.com/tag/scottish-creative-industries-partnership/>
- OECD Entrepreneurship in Denmark (2008)
<http://www.oecdbookshop.org/oecd/display.asp?sf1=identifiersandst1=9789264059559>
- Fleming, T. (2003) *Forward Thinking - New Solutions to Old Problems: Investing in the Creative Industries*, NESTA
- Creative Capetown (2009) *Urban creativity: How cities can hold onto their talented workers*
<http://www.creativecapetown.net/urban-creativity-how-cities-can-hold-onto-their-talented-workers/>
- Arts Professional (2004) Culture and regeneration – Measuring impact
<http://www.artsprofessional.co.uk/magazine/article/culture-and-regeneration-measuring-impact>

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