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DRAFT York Creative Strategy 2018-2023

Part 1: Underlying Policies & Research

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Foreword

York's Creative and Digital businesses have the ambition and ability to be world leading in their respective fields and it is the duty of the main city stakeholders (City of York Council, University of York, York St John University, other government agencies and the creative business themselves) to help enable and encourage that to happen now and over the next five years.

Through encouraging and actively supporting the development of a city wide 'creative hub', magnetising businesses to collaborate and share best practice with each other in great facilities, our creative and digital practitioners can successfully do business with each other and on a world stage. By creating this critical mass of energy in the city and shouting about the great innovation and creativity taking place here now, we can attract talent into York and retain the talent coming out of the higher and further education institutions, to build an exceptional pipeline of highly innovative creative graduates and new businesses.

We can further develop York's cluster based around our strengths in immersive technology, screen based industries and augmented and virtual reality technologies as well as in design. We can use our 'human-sized' city to build collaborations between these businesses and to plug this expertise into other industry areas, leveraging our creativity to drive economic growth in many areas of the city and to generate new enterprises and new innovation. We have the components to create a truly prosperous city with high value, exciting and world leading jobs for now and the future, using the talent, knowledge and willingness of our current creative and digital community. As well as being the best place to live, York can be the best place to create, to innovate and to grow business ideas, and the best place to collaborate and showcase the finished work. York has the real potential to be the 'go to city of excellence' for the new wave of creative digital industries and the bleeding edge of innovation.



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Contents:

1. Executive Summary
2. Introduction
3. Approach
4. What do the Creative Industries have to offer?
5. Creative Clusters – what are they?
6. What does York's Creative Cluster look like?
7. How does York grow and 'magnetise' it's Creative Cluster?
8. The Consultation of the Sector

1. Executive Summary

The Creative Industries in York have been growing and producing some truly amazing work. Yet, because the sector has not been prioritised by the city, the majority of the achievements of the creative businesses goes unrecognised. As a consequence of this, workspace is not prioritised for the creative industries, new talent is not attracted to the city, businesses do not feel supported and York is not seen as the rich creative destination that it is.

York is a forward thinking innovative city with a unique combination of components including:

- High knowledge capital
- UNESCO City of Media Arts Designation
- International relationships (particularly through the UNESCO Creative Cities Network)
- Evidence of extensive creative activity, particularly in screen-based and interactive technologies
- Strengths in Heritage and Interpretive Technologies
- Ultrafast Broadband in much of the city (but not all!)
- Digital Creativity Labs and other specialist centres.
- Rich range and availability of cultural and sports activities

These components contribute to York becoming a successful 'Magnet City'¹, where new 'wealth creators' are attracted to come and stay in the city to work and do business and York is seen as a credible creative destination.

To ensure this growth scenario is realised meaning York does not become a purely *static* historic city, it needs to take advantage of the dynamism of its Creative Industries and prioritise





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the sector. Furthermore, York's creatives are working particularly around immersive technologies, which is an exciting and growing field in creative and digital technologies.

According to 'The Immersive Economy in the UK', this area is forecasted to generate over £1 billion in sales in in 2018 in the UK.¹ However, it is still an emerging sector, so needs support (particularly around "access to infrastructure and technological expertise"²) to develop further.

If the Strategy is followed, York has the potential to be world-leading in immersive technologies and truly set itself apart as a city that nurtures cutting edge innovation.

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¹ Mateos-Garcia, J., Stathoulopoulos, K., and Thomas, N. (2018) 'The Immersive Economy in the UK' London: Innovate UK, p. 6

² Mateos-Garcia, J., Stathoulopoulos, K., and Thomas, N. (2018) 'The Immersive Economy in the UK' London: Innovate UK, p. 7



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1. Introduction

York is a vibrant city that attracts visitors from around the globe to take in its breath-taking sites – but it is much more than a beautiful façade. The city is also home to inventive, pioneering businesses that create internationally renowned work. The work of these organisations sets York apart as a **‘modern day heritage city’**; a place that celebrates its past while embracing the future.

York was recently chosen as the best place to live in the UK by the Sunday Times for this very reason. It was stated that “York today is a mini metropolis, with cool cafes, destination restaurants and innovative companies — plus the fastest internet in Britain.”³ York is a smaller sized city with big ambitions.

However, the York Economic Strategy 2016 to 2020 (“Economic Strategy”) indicates that, if no interventions are made, a likely future scenario for York’s economic growth would focus mainly around the tourism and hospitality sectors. With almost 7 million tourists each year, these sectors are incredibly important to the city, but these areas are not deemed ‘high growth’ and do not produce high levels of GVA for the economy of the city.

The national dialogue about the contributions of the creative industries, (as described by the DCMS, including a diverse range of creative companies such as; interactive technology, screen-based industries, games, design and software development)⁴, would indicate that this failure to acknowledge the sector is short-sighted. The numbers (as detailed in this paper) demonstrate time and again that the creative industries are high growth, yield significant economic turnover, employ highly-skilled workers and consistently avoid risk of automation. Beyond their direct economic value, they also promote both entrepreneurialism and “intrapreneur-ialism”, encourage modern thinking and attract young talented people to the city. The creative industries are “at the heart of the UK’s competitive advantage” and “represent a major

³ ‘York — the best place to live in the UK 2018’ The Sunday Times, 18 March 2018,

<https://www.thetimes.co.uk/article/york-best-places-to-live-8grhj85sn>

⁴ The Department for Digital, Culture, Media & Sport (DCMS) defines the Creative Industries as ‘those industries which have their origin in individual creativity, skill and talent and which have the potential for wealth and job creation through the generation and exploitation of intellectual property.’ DCMS, 2001. Creative Industries Mapping Documents

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/183544/2001part1-foreword2001.pdf, p.5



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strategic opportunity”, according to the Government’s Industrial Strategy and Creative Industries Sector Deal.⁵

Unlike other cities of a similar size, York is fortunate to have a growing “Creative Cluster” (an aggregation of creative businesses, (as described in Section 4, page 9); one which has grown organically in spite of a lack of robust infrastructure or sustained prioritisation from the city. This Cluster is comprised of businesses who have made real investment in York and who produce quality work, which is recognised nationally and internationally. Furthermore, York is one of only twelve UK cities⁶ in the UNESCO Creative Cities network and is the only UK city with a UNESCO City of Media Arts designation (there are a total of thirteen Media Arts designated cities⁷ in total). The city also hosts two international festivals which showcase cutting edge development in media arts, which are York Mediale and the Aesthetica Short Film Festival. York Mediale will be the biggest and only international festival focussing on digital art and creativity in the UK. The Aesthetica Short Film Festival is BAFTA accredited and is now in its 8th year. This status and these festivals bolster the city’s international reputation as well as providing a viable and valuable platform for promoting the great work happening here and creates global collaboration opportunities.

The city has a bona fide opportunity through its creative industries to differentiate itself from other cities – to capitalise on the Creative Cluster and create a reputation as a future facing city where ideas are nurtured and advanced. With the right effort and investment, York could easily become a vibrant “Magnet City” attracting investors and start-ups alike to relocate and develop here and make a significant economic contribution to the city. This would also future-proof York by diversifying its economic portfolio utilising a fast growing sector that can produce a high level of GVA.

To achieve this however, York’s creative industries cannot continue to exist in ‘a vacuum’, where businesses operate here *in spite of* the challenges as opposed to *because of the benefits*. The **pull** of cities who better support their creatives (e.g. Manchester, Leeds, Newcastle, Edinburgh, Hull, Liverpool, Bristol, Cambridge) is continued and without the proper support,

⁵ DBEI and DCMS, 2018. Creative Industries Sector Deal <https://www.gov.uk/government/publications/creative-industries-sector-deal>, p. 9

⁶ The other UK cities in the Creative Cities network are Bradford (Film), Bristol (Film), Dundee (Design), Edinburgh (Literature), Glasgow (Music), Liverpool (Music), Manchester (Literature), Norwich (Literature and Nottingham (Literature). UNESCO Creative Cities Network website, <https://en.unesco.org/creative-cities/home>

⁷ The other Media Arts designated cities are Austin, Changsha, Dakar, Enghien-les-Bains, Guadalajara, Gwangju, Linz, Lyon, Sapporo, Tel Aviv-Yafo, Toronto



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City of Media Arts**



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York could lose its own creative companies to them. There are four main areas where support is most needed in York (which will be addressed in this Strategy):

- (1) Workspace
- (2) Talent Pipeline
- (3) Business Development
- (4) Visibility

This Creative Strategy, (the first for the city), contains the voice of over 140 creative businesses, both universities, the Guild of Media Arts and other major stakeholders in the city. It reflects their needs now and for the next five years and also communicates their level of ambition. It is hoped that this document will illustrate the wonderful opportunity this sector creates for York if it is nurtured.

2. Approach

The York Creative Strategy 2018-2023 was initiated by Science City York (“SCY”) on behalf of the businesses working in the creative sector. SCY works extensively with York’s creative and digital industries and this Strategy is intended to represent their perspective on the challenges, needs and opportunities for the sector within York.

To develop and inform the Strategy the following was undertaken by SCY⁸:

- A comprehensive survey of York’s creative businesses (139 respondents)
- A series of one-to-one interviews with a number of local creative businesses (12 in total)
- Three director forum sessions (with 10-17 attendees each)
- A series of four workshops (with 9-16 attendees each)
- A review of the relevant policy arguments and papers which directly or indirectly address the creative industries

Through the above approach a series of themes have emerged around Workspace, Talent Pipeline, Business Development and Visibility, which will be discussed in greater detail in Section 7.

This Strategy has been endorsed by [TOTAL NUMBER] businesses working within the creative industries. It has also been endorsed by the [KEY STAKEHOLDERS].

⁸ The full analysis of these participants and/or their responses is available in Section 7.



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City of Media Arts**



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3. What do the Creative Industries have to offer?

There are both tangible economic benefits as well as less tangible social, health & wellbeing advantages to having a growing and vibrant creative industries cluster in the city.

Economic Benefits Nationally

As a sector, the creative industries have been proven to contribute extensively to the UK economy; several statistics on this impact are as follows:

GVA

The Gross Value Added (“GVA”) contribution of the creative industries was £84.1 billion or 5.2% of the UK economy in 2014.⁹ This had risen to £91.8 billion a year by 2016¹⁰ and is expected to “deliver close to £130 billion GVA by 2025.”¹¹ This sector has grown “twice the rate of the economy” and out performs even the thriving tourism sector, which was worth £66 billion in 2016 and makes up nearly 4% of the UK economy.¹²

Employment

Employment increased from 2011-2016 by 25.4% (compared to 7.6% across the wider UK)¹³ and in 2015, the sector accounted for 1.9 million jobs¹⁴. In 2016, there were approximately 284,000 UK businesses in the creative industries, comprising 11.8% of UK businesses.¹⁵

Creative occupations are forecasted to grow by 5.3% over the next six years which is double the projected job growth across the UK economy.¹⁶ The sector is projected to have approximately 1 million new jobs created by 2030.¹⁷

⁹ DCMS, 2016. Creative Industries Economic Estimates <https://www.gov.uk/government/statistics/creative-industries-economic-estimates-january-2016>, p. 7

¹⁰ DBEI and DCMS, 2018. Creative Industries Sector Deal <https://www.gov.uk/government/publications/creative-industries-sector-deal>, p. 6

¹¹ DCMS, 2017. Independent Review of the Creative Industries led by Sir Peter Bazalgette <https://www.gov.uk/government/publications/independent-review-of-the-creative-industries>, p. 11

¹² ‘Creative industries’ record contribution to UK economy’ UK government website, 29 November 2017, <https://www.gov.uk/government/news/creative-industries-record-contribution-to-uk-economy>

¹³ DCMS, 2017. Independent Review of the Creative Industries led by Sir Peter Bazalgette <https://www.gov.uk/government/publications/independent-review-of-the-creative-industries>, p. 11

¹⁴ Mateos-Garcia, J., and Bakhshi, H. (2016) ‘The Geography of Creativity in the UK’ London: Nesta, p. 7

¹⁵ DCMS, 2018. DCMS Sectors Economic Estimates 2016: Business Demographics <https://www.gov.uk/government/statistics/dcms-sectors-economic-estimates-2016-business-demographics>, p. 4

¹⁶ Bakhshi, H., and Easton, E. (2018) ‘Creativity & Future of Work’ London: Nesta, p. 1

¹⁷ DCMS, 2017. Independent Review of the Creative Industries led by Sir Peter Bazalgette <https://www.gov.uk/government/publications/independent-review-of-the-creative-industries>, p. 11



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Low Risk of Automation

The sector has particularly low risk for automation (where artificial intelligence could be developed to do the job). Statistically, it is 3 times less likely to have artificial intelligence make it obsolete¹⁸ with 87% of workers in creative sector jobs being at low or no risk of automation.¹⁹

Economic Benefits Regionally

Screen Industries

An excellent example of the contributions being made in the sector by Yorkshire & the Humber are the screen industries. Screen Yorkshire reported that the screen industries in Yorkshire & the Humber between 2009-2015 have made up the following:

- Annual turnover of Film & TV industries was £424 million per annum²⁰
- A total of 1,200 jobs (directly and indirectly) were supported by these industries²¹
- The total turnover of the screen industries was just below £1.1 billion²²

As indicated by these statistics “the creative industries present an economic opportunity for all of the UK.”²³

Additional Benefits

There are, however, contributions which the creative industries make beyond the economic. One example of this is the sector’s contribution to cultural engagement. “Technology is expanding the ways in which we make and experience culture; the digital dimension is becoming a ‘place’ in itself.”²⁴ For York as a modern heritage city with a fantastic arts scene, this collaboration between the creative industries and culture has and will continue to create exciting opportunities for the city (businesses, residents and visitors alike).

¹⁸ Mateos-Garcia, J., and Bakhshi, H. (2016) ‘The Geography of Creativity in the UK’ London: Nesta, p. 7

¹⁹ DCMS, 2017. Independent Review of the Creative Industries led by Sir Peter Bazalgette

<https://www.gov.uk/government/publications/independent-review-of-the-creative-industries>, p. 11

²⁰ ‘Screen Yorkshire’s Success Recognised in New BFI & HM GVMT Reports’ Screen Yorkshire Website, 28 March 2018, <https://www.screenyorkshire.co.uk/screen-yorkshires-success-recognised-in-national-reports/>

²¹ ‘Screen Yorkshire’s Success Recognised in New BFI & HM GVMT Reports’ Screen Yorkshire Website, 28 March 2018, <https://www.screenyorkshire.co.uk/screen-yorkshires-success-recognised-in-national-reports/>

²² ‘Screen Yorkshire’s Success Recognised in New BFI & HM GVMT Reports’ Screen Yorkshire Website, 28 March 2018, <https://www.screenyorkshire.co.uk/screen-yorkshires-success-recognised-in-national-reports/>

²³ Mateos-Garcia, J., Klinger, J., and Stathoulopoulos, K. (2018) ‘Creative Nation’ London: Nesta, p. 13

²⁴ DCMS, 2016. The Culture White Paper <https://www.gov.uk/government/publications/culture-white-paper>, p. 38



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City of Media Arts



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Furthermore, “[c]ultural production is young, inclusive and entrepreneurial”²⁵ which can mean a more diverse workforce bringing with it new and fresh ideas. As York’s creative industries continue to innovate and develop, this influx of inventive creativity is vitally important.

The Contributions of the Creative Cluster

York’s Creative Cluster is also demonstrated through its contributions to the city, as follows:

GVA

York made up 10% of the creative GVA in 2015-2016 (Million £) in Yorkshire & The Humber (behind Leeds (33%), Sheffield (17%), but ahead of Hull (7%), Bradford (7%) and Huddersfield (5%)).²⁶ York’s total contribution in 2015-2016 to the UK’s Creative GVA was £140.4 million.²⁷

Employment

York comprises 9% of creative industries employment in 2015-2016 in Yorkshire & the Humber (behind Leeds (32%), Sheffield (13%), Bradford (12%) but ahead of Harrogate (5%)).²⁸ York is third highest in Yorkshire & The Humber for increase in employment with +1165.75 (behind Leeds (+4984.5) and Bradford (+2636.25), but ahead of Sheffield (+809.25) and Harrogate (+418)).²⁹

Overall Economic Contribution to the City

York’s Creative and Digital industries have been the biggest area of economic growth in recent years, bringing in £165m to the city annually.³⁰

4. Creative Clusters – what are they?

Many of the UK’s creative industries have grown through support from their respective ‘Creative Clusters’. This is the idea that the creative industries tend to develop in particular

²⁵ EY, 2015. Cultural Times [http://www.ey.com/Publication/vwLUAssets/ey-cultural-times-2015/\\$FILE/ey-cultural-times-2015.pdf](http://www.ey.com/Publication/vwLUAssets/ey-cultural-times-2015/$FILE/ey-cultural-times-2015.pdf), p. 8

²⁶ Based on data utilised in the publication: Mateos-Garcia, J., Klinger, J., and Stathoulopoulos, K. (2018) ‘Creative Nation’ London: Nesta

²⁷ Based on data utilised in the publication: Mateos-Garcia, J., Klinger, J., and Stathoulopoulos, K. (2018) ‘Creative Nation’ London: Nesta

²⁸ Based on data utilised in the publication: Mateos-Garcia, J., Klinger, J., and Stathoulopoulos, K. (2018) ‘Creative Nation’ London: Nesta

²⁹ Based on data utilised in the publication: Mateos-Garcia, J., Klinger, J., and Stathoulopoulos, K. (2018) ‘Creative Nation’ London: Nesta

³⁰ ‘York becomes UK’s first UNESCO Creative City of Media Arts’ UNESCO website, 22 March 2015, <https://www.unesco.org.uk/news/york-becomes-uks-first-unesco-creative-city-of-media-arts/>



**York UNESCO
City of Media Arts**



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locations where other likeminded businesses are based; essentially creating a community or a “cluster” for the sector.

The definition of a Creative Cluster as provided by Nesta as follows:

“The creative industries display a strong tendency to concentrate in a small number of locations. In doing so, they form creative clusters – agglomerations of creative businesses and workers that collaborate and compete with each other. This geographical proximity has important advantages: creative businesses are able to tap into a critical mass of creative workers, access clients, and collaborate and share information with one another.”³¹

Further, clusters build organically³² and tend to grow in an area with a strong cultural, heritage and sporting offer.³³ The benefits of a Creative Cluster include the contributions of creative roles in non-creative industries as an “important, indirect, channel through which creative clusters contribute to local economic development and productivity.”³⁴ In all of the UK, Nesta has determined a total of 47 Creative Clusters.³⁵

To have a Creative Cluster is a unique attribute and one which could not only contribute to a city’s economy through its development of the creative industries (in both the creative and non-creative sectors), but also distinguish a location in attracting people to live, work and study there.

Where York’s advantage lies is that just over 1/5 of Creative Clusters are located in the North of England³⁶ and so being in a Creative Cluster differentiates York’s qualities from other Northern cities.³⁷

³¹ Mateos-Garcia, J., and Bakhshi, H. (2016) ‘The Geography of Creativity in the UK’ London: Nesta, p. 7

³² Mateos-Garcia, J., and Bakhshi, H. (2016) ‘The Geography of Creativity in the UK’ London: Nesta, p. 7

³³ DCMS, 2017. Independent Review of the Creative Industries led by Sir Peter Bazalgette

<https://www.gov.uk/government/publications/independent-review-of-the-creative-industries>, p. 16

³⁴ Mateos-Garcia, J., Klinger, J., and Stathoulopoulos, K. (2018) ‘Creative Nation’ London: Nesta, p. 42

³⁵ Mateos-Garcia, J., and Bakhshi, H. (2016) ‘The Geography of Creativity in the UK’ London: Nesta, p. 5

³⁶ Mateos-Garcia, J., and Bakhshi, H. (2016) ‘The Geography of Creativity in the UK’ London: Nesta, p. 6

³⁷ The Northern cities sited as Creative Clusters are: Newcastle, Middlesbrough & Stockton, Harrogate, Leeds, Sheffield, Manchester, Warrington & Wigan, Liverpool, Chester and Crewe. Mateos-Garcia, J., and Bakhshi, H. (2016) ‘The Geography of Creativity in the UK’ London: Nesta, p. 17



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City of Media Arts



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5. What does York's Creative Cluster look like?

York has many of the components inherent in a vibrant Creative Cluster both directly in having creative jobs and businesses as well as indirectly in having heritage, iconic buildings and lots of cultural activities to attract people to the city.

Nesta found York to be an example of “significant creative activity”³⁸, but as the city's creative industries had not been officially mapped in 9 years, it was not given further analysis in their publications on Creative Clusters. This insufficient understanding of what creative businesses are in York has previously led to it being overlooked as a Creative Cluster in its own right.

However, the existence of various creative networks are well established in York and have been for a decade (including Creative York and previously the Creation Network) which would evidence a Creative Cluster. Many of York's creative businesses have been here for years (some a decade or more) and are continuing to produce exciting, innovative work. York is also designated a UNESCO City of Media Arts, which makes it a part of the international Creative Cities Network. There is, therefore, a real argument to be made for York having an established Creative Cluster and this is now being recognised by the Arts and Humanities Research Council (AHRC) through the latest Sector Deal funding opportunities. (York is in the final stages of a two-stage bidding process for significant funding from AHRC, and this funding has only been made available to existing Creative Clusters.)^{38b}

6. How does York grow and 'magnetise' its Creative Cluster?

York has a Creative Cluster – so how can it make the most of it?

The Magnet Cities framework, made popular in the UK by KPMG, indicates that as a certain activity in a city grows, the buzz around that development will attract other like-minded residents and businesses with high value net worth to the city. “A city with a strong magnetic pull draws in new residents, visitors and business investment.”³⁹

This framework is particularly applicable to so-called “second” cities – cities which do not have the automatic pull of major capitals such as London or New York. With so many second cities

³⁸ Mateos-Garcia, J., and Bakhshi, H. (2016) 'The Geography of Creativity in the UK' London: Nesta, p. 19

^{38b} <https://ahrc.ukri.org/newsevents/news/ahrc-welcomes-boost-to-uk-creative-industries-through-new-sector-deal/>

³⁹ Haynes, C., and Langley, V. (2014) 'Magnet Cities' UK: KPMG, p. 2



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for people to choose from, York needs to stand out to attract inward investment and not just copy others.⁴⁰

Through showcasing York as a creative city and building its reputation as a destination that supports the creative industries, the city could 'magnetise' itself and attract people who wish to work in the sector.

There are seven principles of a Magnet Cities and for York to 'magnetise' its Creative Cluster it must consider each of these principles in depth.

1. Attract Young Wealth Creators⁴¹ with an Authentic Point of Attraction⁴²

York is a well-known iconic city that attracts over **6.9 million visitors** each year. It has a **sustainable cultural offer** and is a City of Festivals (including Aesthetica Short Film Festival, York Mediale, Early Music Festival, York Literature Festival, York Open Studios, York Food & Drink Festival, etc.). It is also a prosperous, safe and friendly city.

2. Undergo Constant Physical Renewal⁴³

The city is showing an increase in physical developments evidenced through co-working spaces such as Hiscox Business Club and Spark:York, (an excellent example of an independent initiative that has addressed the growing need for space in York in a new and innovate way). Also, York Central ("the largest brownfield development site in Europe"⁴⁴) and the Guildhall developments demonstrate the city's level of investment in maximising and modernising its spaces.

3. Have a Definable City Identity⁴⁵

York is a modern heritage city that supports innovation as evidenced through its status as the **only UK city with the uniqueness of 'UNESCO City of Media Arts' designation**. This designation makes York a member of the 180 strong, global UNESCO Creative Cities Network, putting York "on the map" internationally as a city that embraces and showcases creativity and innovation.

⁴⁰ Haynes, C., and Langley, V. (2014) 'Magnet Cities' UK: KPMG, p. 6

⁴¹ Haynes, C., and Langley, V. (2014) 'Magnet Cities' UK: KPMG, p. 11

⁴² Haynes, C., and Langley, V. (2014) 'Magnet Cities' UK: KPMG, p. 12

⁴³ Haynes, C., and Langley, V. (2014) 'Magnet Cities' UK: KPMG, p. 14

⁴⁴ 'RAIL HERITAGE: the unique buildings at York Central that define city's railway past' The York Press, 13 September 2017,

http://www.yorkpress.co.uk/news/15529671.RAIL_HERITAGE_the_unique_buildings_at_York_Central_that_define_city_s_railway_past/

⁴⁵ Haynes, C., and Langley, V. (2014) 'Magnet Cities' UK: KPMG, p. 17





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4. Connected to Other Cities⁴⁶

KPMG stated that “[m]any cities in the north of England find it difficult to attract or retain high-earning young professionals for precisely this reason [connectivity].”⁴⁷ However, York is **incredibly well connected** to the rest of the UK and the world through:

- Train: On the main east line, with travel to London and Edinburgh in under 2 ½ hours.
- Air: Two international airports – Leeds Bradford (45 mins), Manchester (90 mins)
- Road: The A1 and M1 are only 30 minutes from York
- Digital: York will be the UK’s first Ultra Fibre Optic city⁴⁸ (broadband)
- Network: York is a part of the UNESCO Creative Cities network (180 member cities from 72 countries covering 7 creative fields)⁴⁹

5. Cultivate New Ideas⁵⁰

All Magnet Cities leverage universities to help with new idea generation⁵¹ and “[h]igh-skilled businesses look for locations that offer them access to knowledge.”⁵²

York has a high knowledge capital with four exceptional higher and further education institutions. The city’s Economic Strategy has committed to an investment in retaining that knowledge capital with an aim to “take practical steps to develop and retain talent in the city”⁵³.

The city also hosts the Festival of Ideas (led by the University of York), which is intended to “educate, entertain and inspire” through a series of mostly free events across a wide range of topics.⁵⁴ All of this contributes to new idea generation and provides a talent pipeline into the highly skilled businesses that comprise the creative industries.

⁴⁶ Haynes, C., and Langley, V. (2014) ‘Magnet Cities’ UK: KPMG, p. 19

⁴⁷ Haynes, C., and Langley, V. (2014) ‘Magnet Cities’ UK: KPMG, p. 19

⁴⁸ ‘York to be first UK gigabit city’ Digital York website, 1 March 2018, <http://www.digitalyork.org/news/york-to-be-first-uk-gigabit-city/>

⁴⁹ UNESCO Creative Cities Network website, <https://en.unesco.org/creative-cities/home>

⁵⁰ Haynes, C., and Langley, V. (2014) ‘Magnet Cities’ UK: KPMG, p. 21

⁵¹ Haynes, C., and Langley, V. (2014) ‘Magnet Cities’ UK: KPMG, p. 22

⁵² Centre for Cities, 2018. Cities Outlook 2018 <http://www.centreforcities.org/wp-content/uploads/2018/01/18-01-12-Final-Full-Cities-Outlook-2018.pdf>, p. 26

⁵³ City of York Council, 2016. York Economic Strategy 2016 to 2020

https://www.york.gov.uk/info/20036/performance_and_policies/67/york_economic_strategy/1, p. 13

⁵⁴ York Festival of Ideas website, <http://yorkfestivalofideas.com/2017/>



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City of Media Arts**



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6. Fundraisers⁵⁵

KPMG found that “a city cannot be transformed using city administered funds alone. The radical improvement of a city requires public and private money to work hand in hand.”⁵⁶

The creative industries businesses (private sector) are investing considerably in the city through their continued operation in York, buying and selling locally as well as recruiting and attracting talented, highly-skilled workers. They have made a real investment economically to the area as evidenced by the £140.4 million York contributed to the UK’s Creative GVA in 2015-2016.⁵⁷

The government has shown an interest in supporting the creative industries at a national level and has begun to invest in the sector. This has been evidenced through recommendations made in the ‘Independent Review of the Creative Industries’ as well as through funding stated in the ‘Creative Industries Sector Deal’ (which York is in the final stages of bidding into). At a local level, York has also shown an interest in further support for the sector, as evidenced through various provisions of the Economic Strategy.⁵⁸

7. Strong Leaders⁵⁹

By endorsing this Strategy, stakeholders in the city are showing an investment in the development of this sector and, through this, are contributing to ‘magnetising the cluster’.

Based on the above, York has all the components and is primed to ‘magnetise’ its Creative Cluster. The next step is to consider the current and future challenges for the sector and determine how it can be supported and developed further.

7. The Consultation of the Sector

To fully take advantage of the creative industries development potential, the needs of the Cluster must be defined. As indicated in Section 2, SCY carried out a consultation with the sector to determine where the challenges are and how the city can better support the creative industries.

⁵⁵ Haynes, C., and Langley, V. (2014) ‘Magnet Cities’ UK: KPMG, p. 25

⁵⁶ Haynes, C., and Langley, V. (2014) ‘Magnet Cities’ UK: KPMG, p. 26

⁵⁷ Based on data utilised in the publication: Mateos-Garcia, J., Klinger, J., and Stathoulopoulos, K. (2018) ‘Creative Nation’ London: Nesta

⁵⁸ One such provision includes “Where market failure or commercial opportunities identified, invest in shared accommodation & kit for IT, digital and media arts businesses, for example, in an iconic building like the Guildhall as a hub.” City of York Council, 2016. York Economic Strategy 2016 to 2020, p. 19

⁵⁹ Haynes, C., and Langley, V. (2014) ‘Magnet Cities’ UK: KPMG, p. 28



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The Survey of York's Creative Industries

SCY undertook a survey of their creative and digital businesses in September 2017 in order to gain insight into the current state of York's Creative Cluster. The survey was sent to the networks of The Guild of Media Arts and Creative & Digital York through email and social media. There were 139 total respondents representing businesses in and around York; the findings of the survey are presented here.

[Please note: all percentages are based on those businesses that answered the question / for which the question was applicable. Further, all figures have been presented to the nearest whole percentage.]

Most Creative Businesses Surveyed in York Are At Least 5 Years Old

66% of creative businesses in York are **over 5 years old** (44% **over 10 years old**), with only 16% under two years old (4% under a year old).

Top Industry Areas Are in Media Arts

64% of respondents work in Film & Video, Interactive Digital Media (including web, mobile, games), Computer Software and/or Design, reflecting the 'Media Arts' nature of the city's Cluster.

Service Focussed, B2B Companies

67% are service focussed, with another 25% providing goods as well as services. 85% do business with other businesses (59% B2B, 25% B2B&C, 15% B2C).

Skills Required Vary, but Apprenticeships are not Priorities

The most required skills are Advanced IT Skills (56%), Customer Service Skills (48%), Marketing (48%) and Graduate Degrees (44%). Apprenticeship Training is the least required (10%).

Most Businesses Are Micro and Many Utilise Freelancers

73% of businesses have 10 or less members of staff and 57% have 5 or less. 70% of businesses employ freelancers and contractors.

A Significant Number have Multiple Business Locations

25% of businesses have secondary locations of operation, with **additional** premises in York (38%), North Yorkshire (3%), elsewhere in the UK (38%) and outside of the UK (20%).

Most Materials Are Purchased Locally

Businesses mainly purchase materials within York (48%), North Yorkshire (37%) and the UK (63%). To a lesser extent they purchase in Europe (28%), Asia (10%) and the US (20%).



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Sales of Services & Goods Are Local, Regional, National & International

Businesses sell their services and goods in York (51%), North Yorkshire (49%), the UK (85%), Europe (48%), the US (30%), Asia (17%) and the rest of the world (33%).

Low Prioritisation of R&D and Intellectual Property (IP) Assets

74% of businesses have no internal R&D funding and 89% have five or less members of staff working on R&D (12% have no members of staff working on R&D).

Some own copyrights (41%) and patents (7%), **but 41% stated they have no IP assets!** (Note: this is worrying and highlights a need to educate businesses as to what intellectual property they own and how they can protect and exploit it. This also reflects the low take up in Yorkshire and the Humber of R&D tax credits).

Main Challenges

The top challenges are **business development** (49%), including **regularity of work** (43%). Further challenges include **staff skills** (32%), **financial limitations** (33%), **marketing** (31%), **commercialising the business** (25%), and **premises limitations** (23%).

The Interviews with York's Creative Industries

To elaborate more on the results of the survey and determine the sector's needs, 12 one-to-one interviews with local creative businesses were carried out.

Question 1: What are the main challenges of running a creative business in York?

Each interviewee was asked what the main challenges were, in their opinion, for running a creative businesses in York. The main challenges mentioned were around **workspace** (58%), **talent pipeline** (58%), **visibility** (33%) and **business development**, particularly around networking and start-up support (42% each).

Question 2: What should be included in the Creative Strategy?

To expand on these challenges (and to highlight those areas that were felt to be particularly difficult) each interviewee was also asked what one thing they felt should be included & addressed in the Creative Strategy.

The top two answers for this question were **visibility** (50%) and **networking** (25%). Anecdotally, visibility and networking came up time and again in the interviews and were considered a significant part of how the sector could develop.

The Four Themes

Based on the above survey and interview results, the four main themes emerged, as follows:





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1. *Workspace*
 2. *Talent Pipeline*
 3. *Business Development*
 4. *Visibility*
-

Workshops

To learn more about each theme, four workshops were then carried out.

1. *Workspace*

The two biggest priorities of Workspace were **collaboration** and **atmosphere**. Attendees saw Workspace as an opportunity to build relationships and make a stronger network within the creative community. This networking would enable creative growth through shared ideas and best practice.

Other important considerations were **affordability** and **broadband** capabilities. It was felt that York lacks space to experiment, which would enable idea generation and innovation.

2. *Talent Pipeline*

There are excellent Universities and colleges in York, but the city still struggles to retain graduates and it was felt that more needed to be done to link the Universities with the creative industries. However, it is not just about enticing students to stay in York, but also encouraging those more advanced in their careers, to return to the city; showcasing York as a city that nurtures talent both in terms of start-ups as well as more established individuals and businesses.

However, apprenticeships were not considered a viable option (as indicated by the survey, interview and workshop results) as most creative business in York are too small to support an apprentice. Instead a community / network to support freelancing opportunities was felt to be a more robust way of addressing this issue as the majority of companies regularly outsource work.

In terms of skills, the priorities of Talent Development / Recruitment were by far and away **enthusiasm** and a **can-do attitude**. While **industry experience** was helpful, not everyone felt



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this was critical. This reflects that employers are keen to link in with the universities and students and that experience working in the sector is not a barrier to recruitment.

3. *Business Development*

The purpose of this workshop was to create a baseline for what Business Development meant to the sector and the attendees felt the following were a part of their development:

- Winning clients and developing relationships (networking, intelligence, research, marketing and sales)
- Creating substantial, profile-raising projects (a balanced sustainable portfolio)
- Enabling start-ups to link to the wider creative network to ensure they develop as part of the ecosystem
- Educating potential clients about the benefit of their service and the value for money

For small businesses, it was felt that **networking** is a vital part of developing as meeting like-minded individuals or organisations can help with best practice sharing, equipment sharing, problem-solving and client generation. It can also address issues of isolation and can make businesses feel more supported as a part of a community.

4. *Visibility*

The main concern for attendees was that the city of York does not seem to value how creative it is and, because of this, York is not on the radar as a creative business destination regionally, nationally or internationally. The city needs to be better about creating a picture of what is here – embracing the image of York as a modern heritage city that supports the creative industries. It is also about developing the perception of York as a place that creates high quality, successful digital and creative work.

It was felt that York needs to do more to showcase its creative talent and broadcast the sector's accomplishments.

Possible platforms mentioned in the workshop through which to publicise the sector included (but are not limited to):

- Podcasts (e.g. [York Creatives](#), [No Film School](#))
- Social Media (e.g. [Facebook](#), [LinkedIn](#))
- News (e.g. [BBC](#), [YorkMix](#), [Vice](#), [The Guardian](#), [Financial Times](#))
- Newsletters ([SCY](#), [Guild](#), [Ed Vaisey](#), [DO Lectures](#), [York Science Park](#))
- Industry Publications (e.g. [Aesthetica](#), [Creative Review](#))
- Networking (e.g. meetups, conferences)



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- Calendars (e.g. [TimeOut](#), [York Mumbler](#))
- Blogs (e.g. [The Medium](#))
- Events (e.g. Design Week, Marketing Week)
- Awards
- Screen based platforms (video, film, touchscreen, apps, etc.)

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