

AHRC Creative Industries Policy and Evidence Centre Workshop findings

Introduction

This document presents an outline for the proposed Creative Industries Policy and Evidence Centre (PEC). Its purpose is to help inform the AHRC's thinking as it drafts a Call for Proposals (CFP) for the PEC later this year.

The paper draws upon insights and opinions from representatives of industry, government and research organisations who attended a dedicated PEC workshop on 18 September 2017, facilitated by the Knowledge Transfer Network.

While self-contained, both the workshop and its outputs described here sat within the context of:

- The existing landscape of creative industry policy, data and trade organisations;
- Recent initiatives of the Industrial Strategy Challenge Fund, such as the AHRC Creative Industries Clusters Programme;
- The UK Government's Industrial Strategy Green Paper;
- The recently proposed sector deal put forward by the Creative Industries Council;
- Peter Bazalgette's 'Independent Review of the Creative Industries'.

Within this rapidly evolving policy context, a Centre that is correctly scoped and successfully delivered has the opportunity to generate significant value for the UK's creative economy, whilst also setting an international benchmark for creative industries evidence gathering and policymaking.

Given the importance of the PEC, the findings of the workshop are presented below as a series of 'key success factors' to be considered by the AHRC and which consequently may be incorporated into a call for proposals.

Finally, we present some suggested 'key features and values'.

Purpose, Role and Remit

Purpose:

The PEC will need to both engage and influence industry, the research base and several layers of international, national and local policymaking. As such, it must be robustly independent. This means, for instance, that while it would be expected to

inform and contribute towards policy development on the creative industries, it will also be in a position to analyse and interrogate government policy.

Since the Centre is predicated upon evidence gathering, it must develop a sound reputation for using data impartially. However, the point was made strongly that there is a difference between being impartial and not having an opinion. To achieve impact, (and in contrast to other organisations such as the Institute for Fiscal Studies or the Office for National Statistics), the PEC must be prepared to take a stance and do so without threatening its credibility or independence.

Several of the academic research representatives asserted that the PEC should be independent from the needs of industry and able to pursue its own research agenda. This risks ignoring the context of the Industrial Strategy in which the PEC is being established, but it does highlight an important consideration; that there is potential tension between the research freedom desired by academics and the requirements of the PEC for industry credibility and utility. Above all, the PEC must demonstrate it is undertaking work that is of long-term value to the UK's creative industries.

The notion of the 'triple bottom line' should be embedded in the Centre and its activities, recognising that AHRC investment in research is intended to result in social (cultural) and environmental benefits, as well as economic ones.

Key Success factors:

- Independence from policymakers and potential clients
- Useful to its stakeholders
- Credible to all
- Not 'just' for profit

Role and remit:

The PEC would have a dual role as both convenor and commissioner of policy and research. As a convenor, the PEC would need to take on a co-ordinating and brokerage role, in which it engages fully with stakeholders, identifies industry, policy and research expertise, helps to build research consortia and offers advice and support to research projects.

The PEC will be required to synthesise existing research and identify gaps and capacity needs. It should both conduct and commission research itself. The Centre will need to also influence the questions that the research community is addressing and play an innovative role in research methodologies, definitions and data, as well as helping to unlock data sources.

In terms of commissioning, it is helpful to distinguish between two broad types of research that the PEC would be expected to undertake:

Responsive, short-term research projects: these should aim to provide the intelligence and insight that is required for specific purposes. Examples could include providing evidence, guidance or responses to a government commission, Parliamentary Select Committee or industry survey. The PEC should be fast-moving and flexible enough to respond to appropriate research demands within a relatively short (ie. 3 month) time period.

Long-term commissioning: The PEC should be pro-active in terms of identifying research priorities and initiating long-term investigative programmes and projects. These could be long-term and exploratory in nature, and lead to outcomes such as generating longitudinal data sets or establishing new methodological frameworks. Such projects should be broad enough in time and scope to allow them to evolve and not strictly held to a proposed research question: rather they should be allowed to 'pivot' and be re-conceptualised as the inquiry progresses.

The confirmed funding for the PEC is four and a half years. Therefore the appropriate balancing of its research and policy portfolio will be crucial.

Key success factors:

- Effective broker of research collaborations
- Awareness of current research and policy and able to commission complementary initiatives
- Must help to set, not follow, the research agenda
- A suitably balanced research portfolio

Who is the PEC for? Major stakeholders and their research needs

There are a number of different users who would all be expected to make use of, draw insight from and benefit from the Centre's activities. These would not simply be passive consumers of the PEC's outputs, but rather stakeholders that the PEC will need to engage with, and which have a role to play in terms of helping to jointly shape research agendas and priorities.

(i) The Creative Workforce

Employment in the creative economy has grown by 20% since 2011 and now represents a workforce of 2.9 million. Given this size, labour market inequalities, barriers to entry, lack of diversity, skills deficiencies, precarious and poorly paid employment conditions are all urgent concerns. Through trade unions, sector skills councils, professional bodies, industry networks and relevant government agencies,

there are well-established organisations engaged with these issues, but which lack in-house research capacity and would hugely benefit from the kinds of evidence, studies and labour market analysis that the PEC would be in a position to provide.

(ii) Creative Businesses

There is a wide range of different businesses across the creative sector, ranging from large multi-nationals through to a huge number of SME and micro businesses (under 10 employees). There are also not-for-profit organisations: renowned cultural institutions, as well as charities and social enterprises. Creative businesses also vary enormously in terms of their sector, which ranges video games to performing arts, and also within the value chain – from investors and commissioners, through to producers and distributors.

Only a handful of the largest businesses or investors undertake research and policy on the sector themselves, but there are numerous trade associations that develop policies on the basis of evidence. This includes a large number of industry associations (PACT, UK Music), cross-sector bodies (Creative Industries Federation), and wider business membership organisations, such as CBI, with an interest in the sector. The research needs of such organisations tend to be focused around core issues relating to business competitiveness: the regulatory environment; overseas markets and trade/export support; access to finance; education and skills.

(iii) Local Government, LEPs and Support Agencies

Creative workers, businesses and entrepreneurs are all based somewhere and for many of them, it is at the local level that they will most receive and benefit from public sector intervention. Over the last twenty years, much of the innovation in terms of engaging and supporting creative enterprise has been at the local, city or regional level, often through HE Institutes: incubators and workspace initiatives, cluster agencies and business support programmes across the UK. However, support agencies and local authorities rarely have the capacity to conduct research, develop evidence-based policies or understand and evaluate impacts. There is an important role for the PEC to address this, and to work with combined metropolitan and local authorities and universities across the UK in order to build up evidence, further understanding of how creative clusters and ecosystems are developed and protected, and improve the quality of provision.

(iv) National Government, Agencies and Policy Makers

The PEC is being established by a national research agency, the AHRC, following on from the government's Industrial Strategy. It should therefore have a major role to play in meeting the evidence and policy needs of national and devolved government, covering a range of activities and agencies – from funding bodies through to trade promotion services and the Intellectual Property Office. In all cases, producing more

accurate, fine-grained, better defined and more valuable statistics and evidence should be a major objective for PEC.

However, in so doing, the PEC will retain its distance, independence and objectivity. It will be PEC's task to provide evidence to inform and support policy making, but not to support the government of the day – evaluating outcomes, projecting impacts, interrogating policies and formulating challenges will all be central to PEC's work.

Key Success factors:

- Appropriately balanced between industry, policy and research base
- Undertaking useful work that is macro, meso and micro according to the needs of its stakeholders
- Sufficiently granular to bring benefit across the UK at local levels

Capacity and Governance

The governance and organisational structure of PEC will be critical to its success. There is considerable best practice to draw upon, given the existence already of academic and creative industries agencies that occupy a similar position in relation to industry, universities and government (e.g. Design Council).

The executive leadership team should be small and work closely with a small non-executive board composed of senior figures from industry and the private and public research base. These individuals should be experienced in policy making, committed to critical inquiry and include researchers and users of evidence and research. A wider advisory network of practitioners, policy makers, academics and researchers could be drawn upon to provide on-going advice: offering insight, suggesting research priorities and identifying gaps in the knowledge base.

The PEC should have strong in-house capacity with skills and knowledge in such fields as research methodologies, data science, evaluation, editorial and communications, data visualisation and design. As well as this, it should be able to easily and quickly draw on the expertise and skills of independent consultancies, freelancers, SMEs and industry. As such, it will need to be unencumbered by some of the processes and procurement associated with government and universities.

The PEC should have a strong communications function that can convey its findings confidently to both media and a wide range of senior stakeholders. Communications should be part of a broader engagement role - transmitting and making clear PEC's research outputs but also receiving, facilitating and publicising data and findings on the creative industries.

Key Features and Values of PEC

The following have all been envisaged as characteristics of the PEC. While not all of these are necessarily central to PEC's activities, remit or governance, they are all features that have been identified as important, and which warrant consideration in discussions around its establishment:

National representation: Whichever organisations and institutions deliver or house PEC, it should be a genuinely national centre, with a remit and interest in all of the UK's creative economy. If it is perceived as being predominantly focused on one particular area or even type of geographic region (e.g. large metropolitan centres), then it will lack the UK-wide support required.

An international context: Much of the UK's creative industries are embedded in global supply chains and markets, and PEC's programme should reflect this without losing focus on the needs of its stakeholders identified above. There is a need to identify best practice, benchmark against other countries and learn from policies and interventions from around the world. In addition, there are certain policy issues such as tax, IP and competition regulation that cannot readily be addressed at solely the national level, and are usually considered at the trans-national level.

There is also the potential for the Centre to develop a global influence for industries, policymakers and research teams. A recent recommendation from Peter Bazalgette's review was a call for an international creative industries observatory. The evolution of the PEC into such an organisation (with additional funding leveraged from other nations) is worth consideration.

Partnership working: The Centre must demonstrate a willingness and capacity to work in partnership with others from across industry, academia and government. This will be important in relation to unlocking proprietary information and securing access to data sets, but also in terms of sharing expertise, co-ordinating resources and disseminating findings so as to maximise impact.

Multi-disciplinary: Although funded by the AHRC and likely to be focused around social science methodologies, the PEC should embrace a multi-disciplinary approach towards research. This will mean framing challenges and working in partnership across the arts and humanities, social sciences and science/technologies disciplines, with mechanisms and incentives to encourage collaboration.

Sustainability: It is envisaged that the PEC will receive core funding from the AHRC for approximately four and a half years. No funding commitment can be made beyond this, and consideration should be given as to how the Centre can continue to operate at significant scale beyond this period.



Obviously, any such considerations around PEC's funding model must take account of the purpose and remit of the PEC as described above, and the fundamental need to maintain its independence and credibility. Nevertheless, there might be types of activity and partnership that can broaden PEC's financial base and generate revenue without compromising this, which should be explored. While potential revenue streams from industrial clients were identified, most workshop participants felt that the priority was firstly to develop the Centre's reputation as useful and credible.

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