

# Scoping Study into possible Consortia bids for EU SIF funding for the cultural and heritage sector in the North East LEP Area

Draft Final Report  
May 2015



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## Foreword

About 12 months ago there were a series of events at Beamish aimed at making the case that the cultural and creative sector contributes hugely to the North East in place-making, inclusion and economic growth and that it has the potential to do more, with the right support and investment.

To try and realise the opportunities for growth, particularly through European funding, we asked consultant Robin Beveridge to research and clarify how we might work together and what issues we'd need to address.

Since then there's been a general election and the national context has become more defined and immediate. We know that a range of new and different sorts of partnership are going to be necessary to engage with the current and future investment programmes, and we recognise the opportunity with the existing investment streams from EU and the positive connection they will have with future devolved government funds e.g. the Northern Powerhouse.

To maintain a vibrant cultural sector in the North East, in the context of another 5 years of austerity, means cultural organisations will need to seize the different investment opportunities that there are and we think there are some helpful options in this paper about how we might do that.

This piece of work has only been possible because of Robin's thoughtful approach and commitment, so we thank him for providing a useful road map through the current schemes. It's only meaningful and worthwhile because of the time and involvement you've put in attending meetings, providing ideas and coming up with solutions. Thank you.

We'd really like to build a consensus on the next steps and where we go now, so please do consider not only what will benefit your organisation but how we can contribute to the growth of the sector and the North East. And we'd very much like your response by the middle of June so we can keep the momentum going.

Jane Tarr, Jim Beirne, Jonathan Blackie

## Summary

Two opportunities have been identified that offer potential for cultural, creative and heritage organisations in the North East LEP area to seek to access funding from the new European Structural and Investment Funding (EUSIF) Programme. These are:

1. Seeking ERDF and/or ESF funding for organisations' artist and business development activities that helps to create strong cultural businesses, described as "North East Creatives"
2. Seeking ESF funding for activity to engage those furthest from the labour market in a range of activities within cultural, creative and heritage organisations, that will help to build disadvantaged peoples' confidence, soft skills and employability, described as "Creative Inclusion".

Through consultation and background research, it is clear that, there is significant interest from cultural, creative and heritage organisations in both of these areas, and in seeking EU funding to support it. However, it is also clear that there are significant practical barriers to accessing this funding. The conclusions and recommendations reached for each of the areas are set out below in summary form.

### 1. North East Creatives

Five options are identified:

- Option A.** Those who are able to, bid directly for ERDF as single organisations.
- Option B.** Develop a co-financed ESF bid to the SFA for enterprise skills development in the cultural and creative sector, led by an accredited training provider.
- Option C.** Develop a consortium to bid for ERDF, if an organisation such as a local authority is prepared to act as lead partner
- Option D.** Cultural and creative organisations act as sub-contractors to North East Enterprise Agency Limited (NEEAL) in delivering business support services, with NEEAL securing and managing ERDF for this.
- Option E.** A long-term ambition could be to develop a 'creative enterprise agency' for the North East (or wider), utilising ERDF and other funding. This idea would need further testing.

RECOMMENDATIONS for these options are:

1. Organisations able to pursue Option A do so using their own resources.
2. Arts Council England and the North East Cultural Partnership provide additional resource to co-ordinate organisations that sign up to Options B and/or C, to develop detailed proposals.

3. Organisations who wish to pursue Option D make contact with NEEAL to pursue this route.
4. Arts Council England and the North East Cultural Partnership consider whether they wish to explore Option E any further, and if so, how.

## **2. Creative Inclusion**

Three 'routes' are identified:

- Route One** Cultural, creative and heritage organisations wishing to bid for BIG Lottery Social Inclusion Opt In funding engage with local partnerships in their area. The local Cultural Partnerships in each area will have an important role to play in co-ordinating activity and bidding.
- Route Two** It is possible that the sector in Tyne & Wear could lead a partnership bid for BIG Lottery Social Inclusion Opt In funding, with other organisations such as local voluntary and community sector bodies.
- Route Three** An alternative route would be to bid directly to the BIG Lottery's Reaching Communities fund for a region-wide approach to using culture, creativity and heritage as a route to engaging disadvantaged people

### **RECOMMENDATIONS for these routes are:**

1. Organisations wishing to pursue Route One engage in the development of local partnerships.
2. Organisations in Tyne & Wear decide whether they wish to pursue Route Two, and if so, who might take the lead on this.
3. Arts Council England and the North East Cultural Partnership consider whether they wish to explore Route Three any further, and if so, how.

**Comments are sought on the report, its recommendations and options for the next steps by Friday 12<sup>th</sup> June, to [robin@robinbeveridge.co.uk](mailto:robin@robinbeveridge.co.uk)**

# 1. Background and Context

This report was commissioned by Live Theatre on behalf of the North East's Regional Cultural Partnership, with funding from Arts Council England. The purpose was to explore the potential to form collaborative approaches across a number of cultural and creative organisations in the North East, to develop projects that would maximise the chances of securing EU SIF investment and the impact of such investment in the North East. The research, and this report, focused on two areas that were identified, in consultation with the NE LEP and cultural partners, as offering the best potential scope for this approach. These are:

- **Cultural Business Growth** – increasing the number, scale and strength of cultural and creative businesses in the NE LEP area, through specialist organisations and peers providing bespoke support to new and established businesses in the cultural and creative sector. This is referred to in this report as '**North East Creatives**'.
- **Routes to Social Inclusion through Culture and Heritage** – using cultural and heritage organisations as a route to engage with and support those furthest from the labour market and move them towards and into employment. This is referred to in this report as '**Creative Inclusion**'.

The work to inform this report entailed:

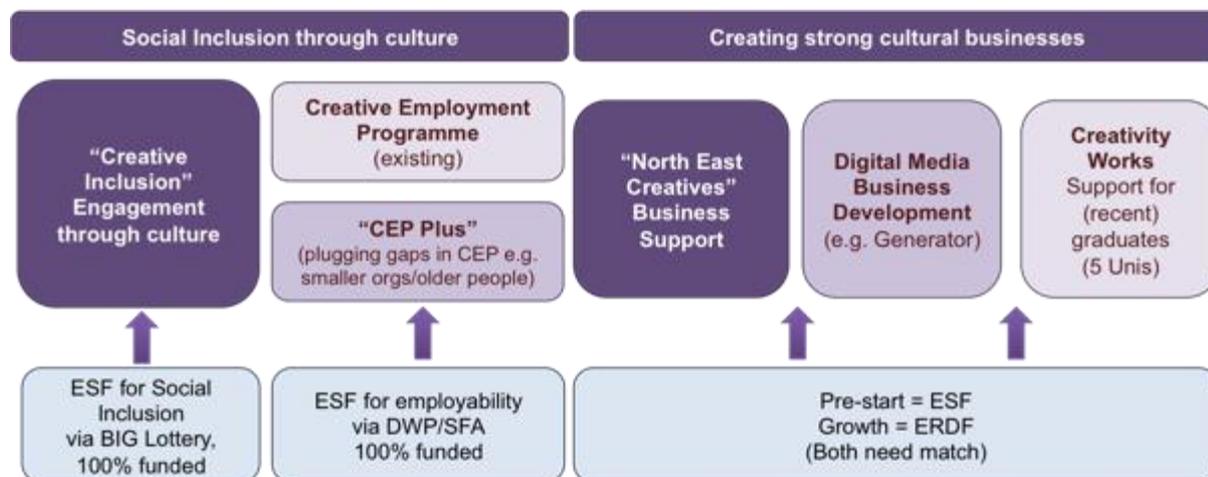
- Background research into the emerging funding opportunities arising from the EU SIF programme in the North East LEP area
- Consultation with 20 cultural and creative organisations operating across the North East LEP area, summarised in Annex 1 to this report.
- Consultation with other stakeholders such as Local Authorities, the NE LEP, DCLG and potential project partners
- Reviewing experience of previous EU funded projects within the sector, especially the 'Cultural Sector Development Initiative' (CSDI)
- Facilitation of three workshops and other meetings to shape the report and feedback on messages identified

Due to circumstances, primarily the timing and nature of developments with the EU SIF programme, it has not been possible to produce a definitive project proposal for either of the two project areas. However, there is definite scope for cultural and creative organisations to secure EU SIF funding to support their work in these areas, and recommended next steps are set out in sections 3.5 and 4.5 below.

## 2. General Findings

The opportunities for EU SIF funding for the sector were considered within the context of other developments, as illustrated in Figure 1 below.

Figure 1: Overview of funding opportunities considered



The two primary areas with the greatest current potential for funding and where there was a clear interest from the sector were confirmed as:

3. artist and business development to create strong cultural businesses, badged as North East Creatives
4. activity to engage those furthest from the labour market in a range of activities to build their confidence, soft skills and employability, badged as Creative Inclusion.

A third area was identified, being structured training and apprentice programmes for young people. Organisations identified the potential to expand the range and reach of this sort of activity, building on existing arrangements through the Creative Employment Programme. However, as the future of that programme was uncertain at the time, it was agreed to consider that further at a later date. Annex 2 to this report covers the main points in relation to apprenticeships. The 'Creativity Works' project is a collaborative University project that is outside of the scope of this report, but is closely related to the possible North East Creatives project. Creativity Works is described further in section 3.3.1.

The organisations consulted had a range of experience and expertise in accessing EU funding and delivering EU-funded projects, from those who had extensive experience and were comfortable with the requirements (such as The Sage Gateshead, Generator and Northern Film & Media), through those who had had some involvement with ESF on a small

scale and were interested in exploring other opportunities (e.g. Jack Drum Arts, Headway Arts), to those with little or no direct experience with EU funding.

All of the organisations consulted were interested in the principle of collaborating with other organisations within or outside the sector both in order to access funding and to enhance their offer more generally. However, there were a number of common concerns expressed about the prospect of taking forward a collaborative project. The five most common concerns were:

### **1. Leadership and Co-ordination**

While organisations were willing to participate in a consortium, very few saw themselves as being in a position to take on a role of leading or co-ordinating the development of a consortium proposal. Many organisations highlighted the need for 'someone' to take on this role, though there was little consensus about which organisation might take this on.

### **2. Chances of success**

Cultural organisations consulted were proud of their roles in delivering either business support or inclusion through their work, and in some cases both, were able to provide evidence of the impact that this was having, and were clear that this made an important contribution to the economic and social development of the NELEP area. However, some were sceptical that this would be sufficient to secure support from the NE LEP, given that organisations apparent view that other sectors made a greater contribution to economic growth. Other consultees, however, were more confident that, if the cultural sector could offer deliverable projects that could provide outputs, they could secure funding despite this view. However, all organisations were reluctant to commit too much of their time to developing consortium projects unless and until they felt there was a strong chance of success.

### **3. Cash Flow**

Many organisations expressed concerns about the difficulty of cash-flowing EU funded projects, given that they are normally funded in arrears and paid on provision of claims supported by monitoring information. While this would be less significant for any bid for Inclusion activity as this is likely to be funded in advance (discussed in Section 4.1 below), it would be a many problem for an ERDF application for business support, and remains a concern that will need to be addressed.

### **4. Administrative burden**

Many organisations, especially smaller ones, expressed concerns about the potential administrative burden of running an EU-funded project. This spanned several areas, including:

- The impact on beneficiaries of the need to record their participation in and outcomes from the project
- The impact on their organisation of collecting, storing, analysing and reporting on these records
- The impact across the sector arising from the need to co-ordinate a complex, multi-partner collaboration

While these burdens were generally not seen as a reason not to pursue a project, they were real concerns. The sense was that the benefits to their organisation from any project would need to clearly outweigh the impact of these burdens.

#### **5. Risk during (and after) delivery**

Allied to concerns about cash-flow and administration was a common concern that there was a high risk of problems arising, especially for the lead organisation who would be first in line for clawback. The main perceived areas of risk identified were:

- Failure to capture and store adequate beneficiary records
- Expenditure being found to be ineligible and/or not supported by evidence
- Breach of EU procurement rules in establishing a consortium or bringing in other providers
- Inability to achieve the target level of outputs or outcomes

In each case, organisations were concerned that any of these could result in clawback of funding, which could impact on the whole consortium, not just the member who had failed to meet the requirements.

Despite these concerns, there was a high level of support for the idea of working collaboratively across the sector to maximise opportunities from EU SIF funding, and a feeling that all of the above concerns could be overcome through appropriate project design and development.

### 3. North East Creatives

The sector provides support for cultural and creative businesses to start up and to grow, as part of its core offer. Some organisations in the sector in the region have previously secured EU funding to part fund this activity, and have delivered successfully. There is clear scope to continue and possibly expand this activity.

#### 3.1. The North East Creatives Opportunity

The initial scope of the research was into ERDF for business support activity. During the course of the research, opportunities were identified for funding for similar activity through ESF for enterprise skills. Both are considered here.

##### A) ERDF

The main opportunity is for ERDF support for business support activity, working with businesses to start up, win work and grow. Based on the current call for 'urgent' projects, attached as Annex 3, there is an opportunity to bid for support where the sector can demonstrate that it meets the key requirements of the call. Projects would need to be delivered across the NE LEP geography.

In particular, this would require that any project would need to meet the following broad criteria:

- (i) Scale:**  
the Managing Authority have stipulated a minimum of £500,000 ERDF, and any project will require secure match funding in place, meaning that any project would need to be in excess of £1m Total Cost. There is a stated preference for collaborative approaches. Given the requirement to achieve targets for outputs and outcomes, projects will need to deliver reasonable volumes of businesses supported. Only a few Cultural Sector projects are likely to be able to meet this criterion on their own; therefore, there is a clear rationale for a collaborative approach.
- (ii) Integration:**  
There is a strong steer that business support measures should be simplified, streamlined and aligned through the 'North East Growth Hub'. This contrasts with the cultural and creative sector's model of specialised support for the sector delivered primarily by organisations within that sector (e.g. theatres providing support to businesses in the theatre sector). There is general

acceptance that a degree of specialised support is appropriate, with specialist organisations engaging people from their sector, providing 'sector specific' support and advice, and referring businesses on to general business support bodies for more general advice and support, and services such as access to finance. The disagreement is likely to be around the *balance* between sector-specific support from cultural and creative business advisors, and general business advice and support, and the *timing* of handover from one to the other.

**(iii) Growth impact**

Business support services would need to demonstrate that they can enhance the capacity of small businesses to grow – while support for the creation of new firms is eligible, the call is focused on overcoming barriers to growth. In part, this can be addressed in terms of the type of support offered, for example by providing experienced mentors to support and advise early stage businesses. Bids from the sector could also seek to demonstrate how the support given to new start cultural, creative and heritage businesses will help to build the strength of the North East LEP Area's cultural, creative and heritage 'supply chain' and foster wider innovation, especially through the creation of enhanced digital products and skills.

It is worth noting that there will be a need to clarify the eligibility of expenditure on creative product within any project, and how any income generated through sales of creative product is to be treated. In principle, expenditure of this sort could be treated as eligible where it is a fundamental part of the business support process, and where income is derived from creative product funded through ERDF, that income should be accounted for – and spent – within the ERDF project. This understanding would need to be confirmed with the Managing Authority as part of the application process.

**B) ESF**

In addition to ERDF for one-to-one business support, there is likely to be an opportunity for organisations to deliver ESF-funded training in enterprise skills. This would support a more structured, group-based approach to business support through training modules. ESF-funded provision would need to be delivered in partnership with an approved training provider, and lead to accredited units of achievement.

At the time of writing, the arrangements for commissioning Enterprise Skills training through ESF were not known, but it is expected that at least some of this would be through a 'co-financed' route via the Skills Funding Agency, meaning that it is likely to be

rather more prescriptive in terms of what is provided, but would not require match funding. ESF is likely to be paid on a unit-cost basis per outcome achieved.

## **3.2. The North East Creatives Offer**

The cultural, creative and heritage sector in the North East LEP offers a range of business support services to individuals and businesses in the sector. While it has not been possible to provide a definitive statement of all parts of this offer – there will inevitably be some elements that are missed – the description below highlights the main elements of this offer as it currently stands, and potential developments identified.

### **1. Focusing on great product**

The starting point for most cultural and creative organisations who provided support to businesses (most described this as ‘artist development’) was to enable people to produce great work. The mechanics of self-employment or business creation and growth were seen as a means to an end rather than being desirable in their own right. This arguably sets it apart to some extent from most ‘mainstream’ business support agencies. It was suggested that this is reflected in the motives of most cultural and creative entrepreneurs; that they are inspired and driven by a desire to create and share great work, rather than by a desire to create a business. Hence, there was a view that cultural and creative people were more likely to engage with support and advice that was provided by cultural and creative organisations, which focused on how to create and share great product, than with mainstream business advisors who were seen as likely to focus more on business processes.

### **2. Providing sector-specific advice**

Allied to this was a strongly-held view that much of the advice and support that cultural and creative businesses needed was sector-specific. Musicians needed advice on how to use You Tube to promote their music, contacts in the industry who could book them onto gigs etc, whereas dancers needed to know how to find and win commissions, artists needed to find and pitch for opportunities to exhibit, etc. All of which was seen as only being reliably available from organisations and individuals with detailed inside knowledge and understanding of these sectors.

### **3. Generating opportunities to produce work**

Several organisations highlighted that the main challenge for cultural, creative and heritage businesses seeking to grow in the North East was the lack of opportunities for them to secure contracts to deliver their work. Support for such businesses to find and win commissions is therefore seen as an important part of business development by these organisations. At the same time, cultural and creative

organisations are seeking to provide commissioning opportunities to local cultural, creative and heritage organisations, both as part of the business development process, and to enhance the cultural/creative/heritage offer. This can be seen as a process of '**building the supply chain**' of cultural, creative and heritage products in the North East LEP area.

#### 4. Inclusive business development

The creative, cultural and heritage sector can appeal more to groups that are under-represented in the wider business community, such as women, young people (under 25) and people over 50, the disabled and other disadvantaged groups. Business support offers targeted at creative business, for example, are typically more likely to attract female entrepreneurs than 'mainstream' business support offers. The sector can therefore provide a route to support enterprise amongst groups that are otherwise less likely to engage with business support provision.

#### 5. Scope

By no means all organisations consulted were involved in business development (see Annex 1). Those that were most involved (of those consulted) are listed in the table below.

<b>Agency</b>	<b>Business/ Artist Development Activity</b>
BAIT	Provide active artist development via Creative Connectors, part of Creative Skills Development role
Baltic	Provide a range of artist development activities, enabling and supporting local visual artists to develop their businesses.
Dance City	Provides development sessions on management development within dance practice for dancers and choreographers.
Durham Creatives	Specialised cultural business support service in County Durham, including generating and accessing opportunities.
Northern Film & Media	Currently provide business development support for film & TV professionals
NGI	Run business creation and support programme, mainly linked to events that they run.

Other organisations within the NE LEP area that might also wish to be involved in this activity either now or in future could include Tyneside Cinema, New Writing North and the National Glass Centre in Sunderland (though this organisation is likely to be involved in the Creativity Works project described in Section 3.3.1).

All Local Authorities consulted were encouraging of this activity, though all felt that a lack of matching funding might preclude their direct involvement. Three Local Authorities were particularly interested in supporting this area. They were:

- **Newcastle City Council**, who were possibly interested in acting as lead partner, and were also keen to consider potential links to their workspace offer.
- **South Tyneside Council**, who were interested in the potential to provide support to cultural businesses – especially authors – as part of the proposed ‘Word’ development.
- **Durham County Council**, who were keen to find ways to continue to support the Durham Creatives project, though were unsure of matching funding.

There is a great deal of strategy and evidence that supports the argument that culture and creative are vitally important parts of the UK economy, and that supporting the growth of businesses in the sector makes a significant contribution to economic performance. It is not possible to summarise all of this material in this report, but it includes:

- [Create UK’s Creative Industries Strategy](#)
- [The Warwick Commission Enriching Britain: Culture, Creativity and Growth](#)
- [The contribution of the arts and culture to the national economy by CEBR](#)
- [North East Creative Sector Research by TBR](#)

### **3.3. Fit between North East Creatives and Wider Initiatives**

Any project taken forward in this area will need to integrate well with other existing and planned activities that are – or could be – related. These include:

#### **3.3.1. Creativity Works (joint University development)**

The region’s five Universities are working together on an initiative to maximise the impact that they have in attracting, supporting, developing and retaining creative talent in the North East. The immediate focus of this work is to develop an Arts and Humanities Research Council-funded action-research project into their impact in this area (informed by the model of Brighton Fuse – see [www.brightonfuse.com](http://www.brightonfuse.com)). The next stage is likely to include applications for EUSIF funding to enhance the Universities’ offer in terms of cultural, creative and heritage talent development and business growth.

Initial discussions have taken place during the course of the research for this report, about the potential to maximise the integration and complementarity between the Universities' approach to Creativity Works and any initiatives taken forward by cultural and creative organisations. These discussions will need to continue to ensure that any bids for funding – and subsequent delivery – are complementary and supportive, and seen to be so.

### **3.3.2. Digital Media Support**

Some cultural and creative organisations consulted emphasised that they were increasingly focussed on digitally-based production and distribution. This means that their support for artists and businesses increasingly involves aspects of digital media. It will be important to ensure that any support provided by such organisations is well integrated with other support for digital business development, such as that provided by Sunderland Software City.

## **3.4. Taking North East Creatives Forward**

There are several options for taking this forward, that will appeal to different organisations to different extents, depending on their circumstances. These are

**Option F.** Those organisations who meet the criteria for ERDF business support projects - i.e. have matching funding in place sufficient to deliver a £1m project over three years, and have a good delivery track record – in their own right, bid directly for ERDF as single organisations.

Other organisations who do not meet the criteria would need to work in partnership to bid. There are two main options here:

**Option G.** Develop an ESF bid to the SFA for a co-financed project around enterprise skills development in the cultural and creative sector. This would need to be led by an accredited training provider, which could be Cultural & Creative Skills or one of the region's FE Colleges (e.g. Gateshead, who are a Leader College for Cultural & Creative Skills). This offers clear advantages as no match funding is required.

**Option H.** Develop a consortium to bid for ERDF. While this is possible, the main obstacles are a requirement for match funding, and the need for a lead partner to take on the risk of managing the project. It is possible that either Newcastle City Council or Durham County Council would be

prepared to take on this role. No cultural organisation has been identified to do so.

Two further options have been identified:

**Option I.** Cultural and creative organisations could act as sub-contractors to North East Enterprise Agency Limited (NEEAL) in delivering a wider business support service. NEEAL is a consortium of Enterprise Agencies operating in the North East, with a strong track record of securing, managing and successfully delivering business support service. Under this model, cultural and creative organisations would provide sector-specific engagement and advice to businesses and individuals in the sector, while the enterprise agencies would provide wider business support and advice. This offers a relatively low-risk and deliverable option, but would be likely to offer less scope and lower financial margins to cultural organisations.

**Option J.** More ambitiously, a long-term ambition could be to develop a 'creative enterprise agency' for the North East (or wider) that would pull together the expertise that exists in the region in a range of organisations to offer a range of sector-specific enterprise development and training support to cultural and creative organisations. This would be similar to the successful Generator model, but across a different footprint. This is an idea that might appeal to the Arts Council as a model for growing the creative sector(s) in areas that are under-represented, but would need careful testing of its viability.

### **3.5. RECOMMENDATIONS for North East Creatives:**

1. Organisations able to pursue Option A do so using their own resources.
2. Arts Council England and the North East Cultural Partnership provide additional resource to co-ordinate organisations that sign up to Options B and/or C, to develop detailed proposals.
3. Organisations who wish to pursue Option D make contact with NEEAL to pursue this route.
4. Arts Council England and the North East Cultural Partnership consider whether they wish to explore Option E any further, and if so, how.

## **4. Creative Inclusion**

Almost all cultural, creative and heritage organisations use their activities as a route to engage disadvantaged groups in their work, often leading to the development of skills, experience, connections, confidence and aspirations that lead people closer to or into employment. For some organisations, this is their core business, for others it is only part of what they do, but almost all see it as a vital part of their mission. Some of this activity has been funded through ESF in the past, and there is a clear scope to continue and expand this, and to do so in a more co-ordinated way.

### **4.1. The Creative Inclusion Opportunity**

The primary focus of the research in this area has been on the Social Inclusion BIG Lottery Opt In, as this offers the potential for 100% funding for inclusion activity. As a result of discussions, an opportunity has been identified for direct application to the BIG Lottery. These are considered in turn below.

#### **A) Social Inclusion BIG Lottery Opt In**

BIG Lottery is managing an element of the Social Inclusion element of the EUSIF programme. It offers an attractive option for accessing ESF as BIG will:

- provide match funding
- provide support to develop partnerships and projects, and to manage approved projects
- fund approved projects through an up-front grant process
- liaise with the Managing Authority in providing monitoring information and claims

The total available in the North East LEP area over the next 3 years for this element is expected to be in the region of £20m. At the present time, BIG are seeking outline proposals that address four themes:

- multiple barriers to employment
- health inequalities
- digital inclusion
- financial inclusion

BIG expect to make four awards, in three geographic areas, as follows:

- Northumberland – covering all four themes
- Durham – covering all four themes

- Tyne & Wear – one project focused on multiple barriers to employment (including financial and digital inclusion)
- Tyne & Wear – one project focused on health inequalities (including financial and digital inclusion)

Projects that are successful at the Outline Proposal stage will be offered project development funding to take their projects further and develop the level of detail and management structures needed to deliver a successful project. BIG anticipate that there will be an element of competition within this development stage, with only some of the projects given project development funding being finally awarded grants.

BIG have indicated that, while the opportunity is open to any type of organisation, they are keen to encourage locally-based non-profit organisations to be involved in projects, and to take the lead where possible.

VONNE has recommended that the following activities are prioritised:

- **Multiple Barriers to employment:** programmes of activity targeted on those furthest away from the labour market, with priority attached to
  - families with chaotic lifestyles and individuals with severe and multiple disadvantage
  - over 50s , people with long term conditions and people with physical disabilities.
  - people with Learning Disability
  - People with protected characteristics must be served by the above projects.
- **Health Inequalities:**
  - Supporting and promoting healthy lifestyles – Fit for work activities (diet / exercise / smoking / alcohol / motivation / activity and support)
  - Support for people with mental health issues to progress towards economic activity - Condition management, motivation, confidence building, support with progression and some in work support.
- **Financial inclusion:** supporting people to improve their financial capability by one-to-one support in budgeting, debt advice, benefit checks and advice, signposting to best deals (energy, insurance bank accounts, credit) and services for gambling and addictions.
- **Digital inclusion:** supporting people to improve their basic digital skills

It is not yet clear exactly what will be eligible and what outcomes and/or outputs will be required. Indications are, however, that these are likely to include a number of 'hard' outputs such as people into employment and new businesses created.

## 4.2. The Creative Inclusion Offer

Creative, cultural and heritage based activities provide a way to engage disadvantaged people and communities in ways that are different from and complementary to the methods offered by other organisations. These are summarised in Figure 2 below.

Figure 2: The 'Creative Inclusion' Offer



For some organisations consulted, such as Headway Arts, Helix Arts and Jack Drum Arts, inclusion is at the core of what they do, and most of their activity falls under the broad areas illustrated in Figure 2. For many other organisations consulted, their core purpose focusses on providing access to great cultural, creative or heritage experiences, and inclusion is part of ensuring that these experiences are available as widely as possible. But all organisations consulted felt that inclusion was an important and significant aspect of what they do, and

that creativity, culture and heritage could offer ways of engaging some of those other services could find 'hard to reach'.

Most of the organisations consulted who focused on inclusion had a long track-record of doing so, and of evolving to meet changing needs and circumstances, often responding rapidly to changes in their communities or in the environment, such as changes to funding availability.

Expanding slightly on the categories identified above:

- **Volunteering** in cultural, creative and heritage activities and events was identified as an excellent way for people who are some way from the labour market to develop their confidence and skills. Examples of this include people volunteering in museums and galleries across the region, with potential progression to employed roles, people volunteering as event stewards for festivals and events, and taking part in events such as Newcastle's New Year's Eve parade.
- Organisations provided informal **classes** in creative, cultural or heritage skills as a 'way in' to practice, and as an attractive and popular way for people to engage in a form of structured activity and learning based on something they enjoy. Organisations found that this enjoyment could, in many cases, overcome people's reluctance to engage, leading to increased personal confidence and willingness to engage in other activities.
- Much of the sectors' inclusion activity is through direct **participation** in arts, culture and heritage activities. For several organisations interviewed, the emphasis on participation is a fundamental part of their approach, with a strong view that participation in cultural activity could be far more effective in engaging and developing people with multiple barriers or complex needs – such as those with learning disabilities – than other ways of working.
- Much of the focus of cultural, creative and heritage organisations was on **engaging young people** through youth-focused groups (e.g. youth theatres). One of the keys to this activity was providing ways for young people to engage both 'in-house' within cultural venues and through outreach into the community. While some of this activity was outside of the scope of this report (being aimed at people below 16 years old), much of it involved work with 16-24 year olds who would be hard to engage through other routes.

Creative, culture and heritage organisations involved in promoting inclusion typically do so in partnership with the wider voluntary and community sector in their area, forming part of a network of support organisations, rather than operating independently.

The evidence and strategic support for the role of culture, creativity and heritage in inclusion seems to be less well documented than its economic contribution. Some supporting documentation identified is listed below:

- [The Value of Arts and Culture to People and Society by the Arts Council](#)
- [Cultural Value and Social Capital by Nick Ewbank Associates](#)
- [The Warwick Commission report on Education and Training](#)

### **4.3. Fit between Creative Inclusion and Wider Initiatives**

As with North East Creatives, any project taken forward in the Creative Inclusion area will need to integrate well with other existing and planned activities that are – or could be – related. These include:

#### **4.3.1. Wider inclusion activity**

The cultural, creative and heritage organisations consulted all clearly recognised that, while the cultural sector had something unique to offer, its inclusion activity was one part of a wider spectrum of organisations working with disadvantaged groups in a variety of ways. Most organisations were already well integrated into local networks for referrals and joint working, but there was also scope to strengthen and develop those partnership arrangements.

#### **4.3.2. Creative People and Places**

Each of the three Creative People and Places programmes in the North East LEP area (BAIT in South East Northumberland, Cultural Spring in South Tyneside and Sunderland, and East Durham Creates) have a key role to play in promoting inclusion through culture in their areas. This is one example of the crossover between activity aimed at widening participation in cultural activity for its own sake, and activity aimed at using cultural activity as a route to economic and social inclusion.

#### **4.3.3. Creative Employment Programme**

As mentioned in Section 2 above, a wide range of activity was identified in the organisations consulted in providing structured work experience, training and

apprenticeship places across the sector, in many cases funded through the Creative Employment Programme. This activity could in many cases act as a progression route from initial engagement, and/or as an alternative route for engaging in cultural, creative and heritage activity. As mentioned previously, there is scope to continue, expand and widen the reach of this activity, which will need to be considered further once the future of the Creative Employment Programme is known.

#### **4.4. Taking Creative Inclusion Forward**

As the BIG Lottery is now focussed on geographically targeted contracting for the Social Inclusion Opt In, three 'routes' have been identified.

**Route One** As it is unlikely that a culturally-led partnership would have the scope and scale to meet BIG Lottery's requirements, at least in Durham and Northumberland, the immediate imperative for cultural, creative and heritage organisations wishing to bid for BIG Lottery Social Inclusion Opt In funding is to engage in local partnerships.

The local Cultural Partnerships in each area will have an important role to play in co-ordinating activity and bidding.

VONNE are providing a mechanism for organisations to register an interest in bidding and are organising events to broker partnerships. Further information and links to register are available at <http://vonne.org.uk/european-funding>.

**Route Two** It is possible – though probably unlikely – that cultural, creative and heritage organisations in Tyne & Wear could have the scale, scope and reach to lead a partnership bid for BIG Lottery Social Inclusion Opt In funding. Such a partnership would need to engage with other organisations such as local voluntary and community sector bodies.

The consultation for this report found widespread support for the idea of a culturally-led bid for social inclusion activity, but no organisation stood out as offering the potential to lead and co-ordinate a bid. For Route Two to be viable, a lead organisation would need to put themselves forward.

**Route Three** An alternative route would be to bid directly to the BIG Lottery's Reaching Communities fund for a region-wide approach to using culture, creativity

and heritage as a route to engaging disadvantaged people. The BIG Lottery's local representative has encouraged a bid to the Social Inclusion Opt In from the sector; if the barriers to that fund prove insurmountable for the sector, it could well be that the BIG Lottery would welcome a direct application to their programme. The advantages of this route would include:

- Fewer restrictions on eligible activity and/or beneficiaries
- Simpler administrative and monitoring arrangements
- Less pressure to deliver EU SIF outputs such as people into employment

#### **4.5. RECOMMENDATIONS for Creative Inclusion:**

1. Organisations wishing to pursue Route One engage in the development of local partnerships.
2. Organisations in Tyne & Wear decide whether they wish to pursue Route Two, and if so, who might take the lead on this. Newcastle Gateshead Cultural Venues (NGCV) might be a suitable organisation to co-ordinate this, provided it also reached out to other Tyne & Wear based organisations.
3. Arts Council England and the North East Cultural Partnership consider whether they wish to explore Route Three any further, and if so, how.

## 5. Next Steps

While opportunities have been identified, few of them are 'oven ready', so further development work and co-ordination will be required. There are three broad options here, on which consultees' views are sought. They are:

1. Leave it to cultural and creative organisations to pick up the recommendations made in the report, without external co-ordination or support. While this is easy, it risks little happening and opportunities being missed.
2. Identify one or two lead organisations from the sector to pick up on the recommendations and co-ordinate activity across a wider partnership. North East Cultural Partnership, NGCV, TWAM or one of the larger cultural organisations might be the options here. While this might be ideal, these organisations may well not have the spare capacity to take this on.
3. Commission further support to co-ordinate action on some of the recommendations (perhaps only for the North East Creatives recommendations).

Consultees are invited to respond to these options and the recommendations made. Comments on omissions or inaccuracies, or suggestions for additional material, are also welcome.

Comments should be sent to [robin@robinbeveridge.co.uk](mailto:robin@robinbeveridge.co.uk) by **Friday 12 June 2015**.