Creative Improvement Districts
A paper exploring a new model of culture-led regeneration
By Culture Commons

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About Culture Commons

Culture Commons bring the creative, cultural and research sectors together to design policy, influence decision makers and drive positive change. We build impactful advocacy programmes and campaigns to influence policy makers at the local, national and international levels.

Our team is made up policy professionals, creative and cultural sector leaders, former politicians, grassroots activists, civil servants, and parliamentary advisers who all have track records of taking ideas from proposal into law.

Based in London and Manchester, we operate a cross-subsidy and not-for-profit model that enables us to both work with leading creative businesses and research institutions, but also support smaller and grassroots creative and cultural organisations - ensuring that all voices are heard in policy making processes.

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You can find out more about us at www.culturecommons.uk
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Introduction

In recent years, the creative and cultural sectors have become increasingly significant to policymakers hoping to support the regeneration of places right across the UK. As the Local Government Association’s Commission on Culture case studies so richly illuminate, the potential of these sectors to support regeneration has been long understood in many areas. Interest in them has only further intensified following the arrival of Covid-19 and the disproportionate impact the pandemic has had, and continues to have, on the UK’s creative and cultural subsectors and in “left behind” neighbourhoods.

As the UK Government have sought to further devolve decision making and spending powers to combined and local authorities, and with the recent arrival of a flagship ‘Levelling Up’ agenda, local places now have several more opportunities to bid for funding to deliver regeneration programmes that could also support the recovery of the creative and cultural sectors and simultaneously unlock the wider socio-economic benefits that these sectors can bring to communities.

It is within this context that Greater Manchester Combined Authority (GMCA) have conceived of Creative Improvement Districts (CIDs). These exciting, and potentially transformative, concepts propose to bring together a suite of policy interventions including land development, regeneration planning, fiscal incentives and marketing initiatives to encourage the agglomeration of creative businesses, cultural organisations and their associated workforces in a defined geographical location. It is hoped that CIDs will help increase footfall in high streets and struggling town and city urban areas and generate economic activity across the conurbation.

In 2019, GMCA commissioned the National Organisation for Local Economies (CLES) to set out some preliminary ideas about how CIDs might work in practice, and what policies could support them. We explore some of those recommendations later in this paper. Almost two years on from that publication, and following an enforced pause caused by Covid-19, both Stockport and Rochdale Councils have now set out ambitious plans to build a CID in their areas: Rochdale Council recently secured £4.2 million and Stockport Council and MadLab secured £2.6 million to develop their CIDs. We understand that GMCA is now proactively promoting early CID thinking with other local

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5 Letter from Chair of Department for Levelling Up, Housing and Communities outlining ‘Levelling Up’ related funds, https://committees.parliament.uk/publications/22447/documents/165461/default/
6 Post-Covid recovery through culture, https://cles.org.uk/blog/post-covid-recovery-through-culture/
9 MadLab, https://www.madlab.org.uk
authorities across the region who may stand to benefit from them. GMCA recently seconded their Night-time Economy Officer to Oldham in a support role to explore a CID, Salford have committed to developing two CIDs, and Wigan are also keen to develop one.

While momentum for the initiative and the broad principles that underpin them develops amongst stakeholders across the Greater Manchester area, literature on the design and implementation of the model remains relatively sparse. In this regard, CIDs remain a primarily conceptual and as yet untested model. This paper is therefore based on just a small number of internal documents authored by the GMCA, the CLES paper of 2020 as well as interviews with key stakeholders.

In July 2022, the University of Manchester commissioned Culture Commons to produce a paper which explores the question: how do CIDs sit within a wider cultural regeneration policy context? As well as the source materials outlined above, this paper draws and builds on ongoing engagement Culture Commons has with combined and local authorities across the UK, several UK Government Departments, devolved administrations, and the creative and cultural sectors at a local, regional and national level. We also touch on the place related work we developed with the Centre for Cultural Value following their landmark ‘Culture in Crisis’ research into the impact of the Covid-19 pandemic on the UK’s creative and cultural sectors (which was conducted in partnership with the Creative Industries Policy and Evidence Centre and The Audience Agency)\(^\text{10}\), and the suite of policy recommendations based on the findings that Culture Commons launched with the Centre in the UK Parliament earlier this year\(^\text{11}\).

By taking a step back to consider best practice examples of place-based and culture-led and culture-supported regeneration that has taken place in England over the past 10-15 years, we hope this paper will make a helpful contribution to the discussion around CIDs. For now, we limit our examples to England, with one example in Scotland, which allows us to make some observations about different outcomes within a broadly similar policy context. Inevitably, we exclude exceptional examples of other cultural regeneration that have or are taking place in Scotland, Wales and Northern Ireland, as well as internationally, but Culture Commons hopes to explore these examples in future papers alongside partners.

In Part One of this paper, we set out some background on the development of the CID model within the economic and social context of Greater Manchester, explore our understanding of how GMCA initially envisaged the CIDs, and outline what we hope to add to the policy dialogue with this paper.

In Part Two, we consider precedent models of cultural regeneration primarily across England with an example in Scotland - both publicly and privately led.

In Part Three, we explore what we have termed “enablers of cultural regeneration”; though not necessarily development projects in their own right, these enablers are governance and/or policy

\(^{10}\) Culture in Crisis, Centre for Cultural Value, (Walmsley, B. et al, 2022) [https://www.culturehive.co.uk/CVIresources/culture-in-crisis-impacts-of-covid-19/](https://www.culturehive.co.uk/CVIresources/culture-in-crisis-impacts-of-covid-19/)

mechanisms that are rooted in a local place and nonetheless directly and/or indirectly support the growth of the creative and cultural sectors.

In Part Four, we take our learnings from both Part Two and Three and combine them with Culture Commons’ in-house knowledge of the creative and cultural sectors, local government and planning policy to set out some light touch recommendations designed to aid local policy makers as the CID concept develops. We finish with some suggestions on where our work in CIDs might go next.
Part 1: Creative Improvement Districts - the story so far

Introducing Greater Manchester

Greater Manchester is home to one of the largest creative clusters in Europe, with more than 19,000 creative, digital and technology companies providing jobs to some 156,000 people across the Northwest and further afield[12]. As well as being creative cluster in its own right, Greater Manchester is also home to several ‘micro clusters’ - smaller but dynamic clusters of commercial creative activity identified by the Creative Industries Policy and Evidence Centre, that are often located in smaller locations outside city centres[13], including across some of the ten boroughs that make up the GMCA area.

The Business Register and Employment Survey (BRES) tells us that 56,000 people in the Manchester Travel to Work Area (TTWA[14]) are active in the 31 creative industries as defined in the UK’s official Standard Industrial Classification system[15]. This represents around 4% of Greater Manchester’s total employment—about the same number as those working in the ‘construction’ and ‘public administration and defence’ industries in the same geographical area[16]. However, it is important to keep in mind that the number could be much higher: BRES is well-known for vastly underestimating freelance, self-employed and/or atypical workers who make up a large proportion of the workforce in many creative and cultural subsectors (and as high as 70% in live and performing arts[17]).

The night-time economy also plays a critical role in Greater Manchester’s wider leisure economy. With a considerable crossover between the creative, cultural and night-time sectors, the cultural and leisure industries account for approximately 44% of all night-time economy jobs in the GMCA area[18], with a workforce that is often engaged in both sectors, moving across mutually dependent supply chains.

Beyond their significant economic contributions, the creative and cultural sectors can promote positive social impacts in local communities[19]. Many of the UK’s Arm’s Length Bodies associated with the creative and cultural sectors have long valued the role that the arts and culture can play in regenerating local areas. For example, Arts Council England’s latest ‘Let’s Create’[20] and ‘Creative Health and Wellbeing’[21] strategies recognise that investment in arts organisations, museums and

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12 Number 1 UK regional city for creative talent, https://www.investinmanchester.com/sectors/creative-and-media
13 Creative Industries Policy & Evidence Centre, https://www.pec.ac.uk/research-reports/creative-radar
15 Business Register and Employment Survey, https://www.nomisweb.co.uk/datasets/newbres6pub
16 Creative Clusters and Sparse Spaces: The Geographies of Manchester’s Creative Industries (Tether, B., 2022), http://pec.ac.uk/discussion-papers/creative-clusters-and-sparse-spaces
20 Let’s Create, https://www.artscouncil.org.uk/letscreate
libraries can improve lives, regenerate neighbourhoods, support local economies, attract visitors and bring people together.

Importantly, these wider societal benefits are also firmly understood by policy makers in Greater Manchester. This understanding is perhaps best expressed in the GMCA’s updated ‘Culture Strategy’, which sets out a region-wide ambition that:

“Greater Manchester’s cultural offer will reflect the diversity of our people, who feel empowered to share their stories with the world, improving their wellbeing and increasing the prosperity of our businesses and the attractiveness of our places”22.

GMCA’s ‘Night Time Economy Blueprint’ also sets out a desire to make Greater Manchester:

“…one of the best places in the world to…run a business between the hours of 6pm and 6am” and a commitment to “developing a model of regeneration that is driven by the night time industries”23.

Further, a recently established ‘Greater Manchester Music Commission’ looks set to ensure music and associated activity across the region remains firmly up the policy agenda for some time to come24.

**Greater Manchester’s policy challenges**

Much like all UK cities, there is a clear and pressing need to bring residents, visitors and workers back into town centres and highstreets across Greater Manchester after a turbulent couple of years. This is needed not only to drive up investment, create good quality jobs, stimulate economic growth but also to amplify the local pride, identities and communities that make Greater Manchester such a unique place to live, work and play in.

However, the creative and cultural sectors and the night-time economy face several shared challenges including rent increases, redevelopment, local planning legislation and licensing issues. The seemingly endless decline of traditional retail in high street and town centre locations has been accelerated by the Covid-19 pandemic25. In addition, the generally precarious nature of ‘meanwhile use’ spaces that often characterise the tenancy arrangements of the creative and cultural sectors are now holding Greater Manchester’s creative economy back from taking root and flourishing in certain areas.

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In addition to the long-standing geographic inequalities in employment rates, productivity, educational attainment, and health and wellbeing, we see between regions of the UK, Greater Manchester’s creative and cultural workforces, institutions and funding (key cultural “infrastructures”) are unevenly spread within the region too. Perhaps unsurprisingly, we see a high concentration of sectoral infrastructures located in the city centre, with just 13 of Manchester’s ‘neighbourhoods’ responsible for most of the city regions’ creative and cultural sector employment. An analysis of more affluent areas in Greater Manchester with existing flagship cultural institutions and larger numbers of National Portfolio Organisations (NPOs) reveals that these areas were more likely to receive more Cultural Recovery Fund investment per head than other places, perpetuating the ‘existing funding attracts future funding’ maxim. These disparities also broadly echo much wider socio-economic inequalities that characterise Greater Manchester: whilst some neighbourhoods are some of the most affluent in England, others (particularly to the north and inner east side of the city centre) are held back by very high levels of deprivation.

Whilst some people living in Greater Manchester do travel into the city centre to enjoy the city’s cultural and night-time offerings, those from more deprived areas travel outside their own borough much less regularly. On top of this, since the Covid-19 pandemic, the public appear to be increasingly looking to engage with cultural activities more locally and cultural organisations have been “looking local” for new audiences and custom. Without targeted intervention, these trends, in addition to people across Greater Manchester likely having to make different spending decisions due to a looming cost of living crisis, resident’s postcodes could become an even stronger indicator of the likelihood of participation in the production, dissemination, and consumption of culture.

**The rise of ‘cultural regeneration’ across the UK**

Some local authorities have long-established and successful working relationships with the creative and cultural sectors in their area; we find many examples of culture-led and culture-supported regeneration initiatives documented by the Local Government Associations, for example. With the

28 UK Regional Productivity Differences An Evidence Review: [https://industrialstrategycouncil.org/sites/default/files/attachments/UK%20Regional%20Productivity%20Differences%2020%20An%20Evidence%20Review_0.pdf](https://industrialstrategycouncil.org/sites/default/files/attachments/UK%20Regional%20Productivity%20Differences%2020%20An%20Evidence%20Review_0.pdf)
31 Creative Clusters and Sparse Spaces: The Geographies of Manchester’s Creative Industries (Tether, B., 2022)
33 Place matters: Greater Manchester, culture and ‘levelling up’, [https://www.culturehive.co.uk/CVresources/place-matters-greater-manchester-culture-and-levelling-up/](https://www.culturehive.co.uk/CVresources/place-matters-greater-manchester-culture-and-levelling-up/)
34 Creative Clusters and Sparse Spaces: The Geographies of Manchester’s Creative Industries (Tether, B., 2022)
launch of the 2017 Industrial Strategy\(^{38}\) and the establishment of the first round of the Cultural Development Fund\(^{39}\), UK Government policy has started to lean into the idea of cultural regeneration and how these sectors, and the individuals, businesses and organisations within, can support towns, cities and the economy as a whole.

At the onset of the Covid-19 pandemic in 2020, focus rightly turned to supporting the UK’s creative and cultural sectors following enforced lockdowns which saw many workplaces close to the public. The full impact of the pandemic on the cultural sector has been explored in detail by our research partners at the Centre for Cultural Value in a now landmark report of February 2022\(^{40}\). However, several phenomena unearthed in that report are worth mentioning in the context of this paper. These include: the considerable gaps in financial support for many freelance, self-employed and atypical workers in the creative and cultural sectors; the compounding of inequalities faced by marginalised groups across most creative and cultural subsectors (e.g. women, those without a degree, disabled people, and those from minoritised\(^{41}\) ethnic groups); and the pivot to local seeing audiences engaging in local content in new and digital ways.

The launch of the UK Government’s Levelling Up White Paper has positioned culture as key to restoring pride in place and repopulating high streets and town centres\(^{42}\). In a three-pronged approach to achieve this, the UK Government has set out its ambition to regenerate areas right across the UK, including in 20 focus areas\(^{43}\) and via a continued rollout of the Brownfield Fund\(^{44}\) and the High Streets Taskforce\(^{45}\), alongside a commitment to reviews into local governance structures. Crucially, as part of an uplift in their departmental budget, the Department for Digital, Culture, Media and Sport (DMCS) is now working with the Arts Council England (ACE) to focus investment and resources towards 109 places outside London who will see an additional £43.5 million of investment\(^{46}\). Of particular significance to this paper is the inclusion of Rochdale and Wigan (boroughs of Greater Manchester) in the ACE’s list of 109 ‘Priority Places’.

As we would expect, the UK Parliament and parliaments of the devolved administrations scrutiny mechanisms (including several Select Committees\(^{47}\)) have begun to interrogate this evolving policy area in more detail. We are very much looking forward to reading the final reports coming from the Local Government Association’s Commission on the role of culture in local government, which is ongoing at the time of writing\(^{48}\).

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39 Cultural Development Fund, https://www.artscouncil.org.uk/funding/cultural-development-fund-round-three#section-1
40 Culture in Crisis: impacts of Covid-19 on the UK cultural sector and where we go from here - CultureHive
45 High Street Taskforce, https://www.highstreettaskforce.org.uk
47 Culture Commons submit evidence to the DCMS Select Committee “levelling up” enquiry, Feb 2022
Current Creative Improvement District design

In the context of this tide of rising interest, as well as to address the immediate challenges facing Greater Manchester, the GMCA have conceived of Creative Improvement Districts. GMCA have stated that their high-level aim for the CIDs is to:

“…drive the start up, growth, development and relocation of creative, cultural and night time economy businesses to a pre-determined area, creating good jobs, economic growth, vibrancy and visitors.”

Underpinning these ambitions, the GMCA proposed that any CID should be based on four central pillars in a concept note in 2020, which we briefly summarise:

<table>
<thead>
<tr>
<th>Place</th>
<th>Promoting the good practice of the place making agenda, GMCA have been clear that CID areas need to be well connected (physically and digitally) and foster a welcoming and safe environment for the workforce and residents alike. GMCA stipulate that a CID should be based in a clear geographical area and provide a range of high quality and purpose-built spaces for creative cultural business to relocate to.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support</td>
<td>GMCA state that the CID areas should be areas that actively support the creative, cultural and night-time economies to grow, providing business support and skills training where needed. GMCA are clear that strong local leadership from the creative and cultural sectors, as well as political buy-in will be critical.</td>
</tr>
<tr>
<td>Engagement</td>
<td>GMCA have identified a need to proactively draw communities and the creative and cultural sectors to CID areas. GMCA suggest that CIDs should therefore generate outreach activities (e.g., through events and a strong social media presence) to encourage increased footfall to the area.</td>
</tr>
<tr>
<td>Legacy</td>
<td>GMCA recognise that the CID is not a short-term project but should have medium- and long-term goals to create a “mature ecosystem” over time. GMCA suggest that to achieve this, links with other anchor organisations (including further, higher and technical colleagues) should be fostered.</td>
</tr>
</tbody>
</table>

In 2019 GMCA commissioned the Centre for Local Economic Strategies (CLES) to explore how a CID might operate in more detail. According to the CLES, a CID has a high-level dual aim of:

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49 Internal GMCA working document
“…growing the footprint of the creative and cultural sectors across the region and increasing prosperity in the towns, particularly for high streets and town centres which are experiencing high vacancy rates and economic uncertainty.”

CLES set out a range of policies, tools and approaches that could be used by local stakeholders to build a CID model that delivers on these outcomes. In summary, these include:

- Identifying public sector owned assets which could be converted for use for commercial start-up uses
- Supporting mixed use development by providing grants to creative and night-time business to comply with licensing agreements
- Forming co-operatives to take ownership of property and local assets that could support the CID area
- A recruitment campaign to secure ‘critical’ mass occupancy attracting business with the offer of:
  - Reduced or peppercorn rents
  - Business rate reliefs (minimum of one year)
  - Business development training and on-going support
- In return, the CID will ask the re-locating business to:
  - Develop good workforce practices (e.g., implementing living wage and appropriate payment for services, no zero-hour contracts)
  - Engage with the local authority on developing training schemes relevant to their staff
  - Engage with the local authority to develop a meaningful community engagement programme
  - Develop a self-supporting sustainable governance mechanism

In summary, the CID as first conceived by the GMCA and developed further by CLES, appears to consist of a mix of capital development, policy and resource support to create a sustainable ecosystem. The model is jump started by capital development, harnessed by a contract of reciprocity between business and the local authority, and utilises strong marketing and brand management to attract visitors from the local area and beyond.

**What we hope to add to the conversation**

We believe it is important to briefly consider examples of how cultural regeneration has already been attempted across the UK and how this learning might best be applied. With so many local authorities in Greater Manchester stating an intention to build a CID as part of new local cultural strategies, now feels like an important moment to start thinking about these options in more detail.

We argue that CIDs will need to be delivered in sustainable, responsive and inclusive ways to ensure the right support gets to the people who need it most, and that the potential ‘spill over’ benefits

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50 Post-Covid recovery through culture, [https://cles.org.uk/blog/post-covid-recovery-through-culture/](https://cles.org.uk/blog/post-covid-recovery-through-culture/)
these sectors can engender are felt as widely as possible in the communities they are part of. Ultimately, we suggest that taking a set model approach to the development of CIDs that a purely orientated towards economic growth and ‘trickle down’ outcomes may not necessarily meet the needs of local communities, and that a more nuanced programme that draws on existing best practice in a tailored way could be a better way to proceed.

Our early and light touch recommendations consider the new economic and political realities of a post Covid-19 world, the continually evolving working habits we now see in the creative and cultural subsectors and the looming economy-wide ‘cost of living crisis’.

Though we do not include it in this paper, Culture Commons has already begun to map out a possible evaluation framework with key performance indicators for potential CIDs that we feel could support local authorities with CIDs in the pipeline. We are happy to speak to partners about how this work might be developed further.
Part 2: Exploring examples of place-based regeneration

In Part Two, we look at current examples of culture-led and culture-supported regeneration that has already taken place across the UK, as well as the tools and funding models used to grow their local creative and cultural sectors while achieving wider place-based benefits.

A note on examples explored

Early in the process, we tried to develop a way of comparing our chosen examples to find a way of establishing the “most successful” model. However, we quickly discovered two main issues with this approach: firstly, any assessment made through preliminary and time-limited desk-based research would be unable to measure all impacts and tangible outcomes generated by each example. Secondly, examples of place-based cultural regeneration have no ‘one size fits all’ approach and are therefore very difficult to compare like for like.

For these reasons we have instead attempted to simply highlight the strengths and weaknesses of each example on a case-by-case basis. Our hope is that stakeholders may be able to draw directly from these findings when considering the establishment of a CID in the context of their own vicinity. It is worth keeping in mind that as our desk research has drawn on very limited secondary sources (including advocacy documents and promotional communications), its findings are likely to reflect more positive narratives, rather than a critical assessment spotlighting actual or perceived weakness.

Place based regeneration can draw on multiple policy tools, partnership agreements and funding agreements, but at its core, it always happens in a defined geographical location, from ‘borough-wide’ to an individual building. We have therefore concluded that the best way to conceptualise the different examples of cultural regeneration is to look at the scale at which they are delivered. This approach enables us to both learn key lessons from individual projects but also discover how different geographical policies and approaches can work together to support local areas to deliver a truly sustainable and high-quality CID programme.

We explore examples according to the scale at which they operate and categorise examples under three groups, Macro, Mezzo and Micro:
Macro Scale

This section refers to activity that has taken place across the entire locality - usually city-, town- or borough-wide. These examples tend to lean towards a strategic approach, considering the locality, rather than focusing on one site or area.

**Creative Enterprise Zones in London**

Creative Enterprise Zones (CEZs) were established by the Mayor of London in 2018. The scheme includes many of the top-level objectives the GMCA hope to achieve as part of the CID programme.

The Greater London Authority (GLA) defines CEZs as:

“...areas of London where artists and creative businesses can find permanent affordable space to work; are supported to start-up and grow; and where local people are helped to learn creative sector skills and access pathways to employment”

The GLA initially designated eight CEZs across the city following a competitive application process: Croydon, Haringey, Hounslow, Lambeth, Lewisham, Hammersmith & Fulham, Ealing and Waltham Forest, with a single zone across both Hackney and Tower Hamlets. These successful areas each received a share of an £11 million grant fund to run three year programmes to support the local creative and cultural sectors under four core pillars: affordable workspace; skills and business support; community engagement; and enabling local policy.

To access funding, local authorities were required to submit proposals to the GLA and each undergo a formal accreditation process to ensure their activities aligned the four core pillars. The local authorities then lead in the delivery of their CEZ programme, building local partnerships to deliver core and supplementary programmes on the ground. The CEZ programmes that have been delivered to date each look very different from borough to borough. However, through a brief comparison of the programmes and outputs of each CEZ, it is possible to identify several recurrent types of intervention and project.

The most common initiatives across the CEZ zones protect and/or provide affordable workspace for the creative and cultural sectors. For example, The Croydon Creative Enterprise Zone\(^{52}\) has provided over £60,000 of rent relief to 50 local young people seeking affordable studio space, whilst Lambeth Council have embedded an affordable workplace policy into the heart of their local planning policy\(^ {53}\). Hackney Wick & Fish Island (HWFI) launched the ‘Space Makers Grant’, a £100,000 grant

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52 Creative Enterprise Zone Croydon, [https://www.croydoncreativedirectory.com/page/cez-croydon/](https://www.croydoncreativedirectory.com/page/cez-croydon/)
53 Creative Enterprise Zone Status and Funding Awarded, [https://lambethnow.co.uk/creative-enterprise-zone-status-and-funding-awarded/](https://lambethnow.co.uk/creative-enterprise-zone-status-and-funding-awarded/)
funding pot to help 10 creative businesses in the area access specialist equipment and upgrade their existing workspaces\textsuperscript{54}.

CEZs often support and develop the skills of the creative and cultural workforce in the locality. ‘Made by Tottenham’\textsuperscript{55} and ‘Make it Brixton’\textsuperscript{56} are two such examples of area-wide creative directories that platform creatives to showcase work and share opportunities. In the Lewisham CEZ, the ‘Catalyst’ programme supports 22 creative enterprises covering topics such as business planning, team building and future proofing\textsuperscript{57}, whereas HWFI’s ‘Wick Freelancers’ is a networking and support group specifically supporting freelance, self-employed and atypical workers\textsuperscript{58}.

Lastly, it’s worth noting how some of the CEZs responded to the impact of the Covid-19 pandemic. The Lambeth CEZ pivoted quickly and effectively to provide local recovery grants for not-for-profit organisations, shared workspaces and hospitality businesses, as well as hardship funds for “at risk” individuals and organisations, including three-month rent-free periods for 124 small business tenants. Similarly, Croydon’s ‘Cultural Relief Fund’ allocated a share of £135,000 to 38 organisations in danger of closing\textsuperscript{59}.

The 2022 application round has promised a further six CEZs, with a further investment of £3 million for the programme, as well £70,000 for resourcing that local authorities can use to build internal capacity to support the design and delivery of the CEZ\textsuperscript{60}. We would recommend local authorities wishing to establish a CID explore the individual CEZ borough case studies\textsuperscript{61} as useful background and to make direct contact with the successful applicants for the 2022/23 CEZ scheme to understand what learnings have been made from the previous round and how they are informing new programmes.

**Night Time Enterprise Zones**

At the time of writing, the GLA are assessing applications for a parallel ‘Night Time Enterprise Zone’ programme, offering £500,000 to ‘at least three’ new zones\textsuperscript{62} following the success of a pilot in Waltham Forest\textsuperscript{63}. The Waltham Forest pilot used £75,000 of funding to trial ‘shop late local’, an event fund that supported businesses and community groups to host events after 6pm and creating guidance for businesses’ navigating complex night time licencing and planning approval.

\textsuperscript{54} Funding for the future: scheme to provide cash injection for creative businesses in Hackney Wick and Fish Island, https://news.hackney.gov.uk/funding-for-the-future-scheme-to-provide-cash-injection-for-creative-businesses-in-hackney-wick-and-fish-island/

\textsuperscript{55} Made by Tottenham, https://madebytottenham.com/

\textsuperscript{56} Make it Brixton, https://inbrixton.org/creative-zones/creative-zones/creative

\textsuperscript{57} SHAPES Lewisham, https://www.shapeslewisham.co.uk

\textsuperscript{58} Wick Freelancers, https://www.hwfi.zone/wick-freelancers-1

\textsuperscript{59} Croydon Zone, Cultural Relief Fund, https://www.london.gov.uk/what-we-do/arts-and-culture/culture-and-good-growth/explore-creative-enterprise-zones/creative-enterprise-zone-case-studies#acc-i-63623

\textsuperscript{60} Mayor expands Creative Enterprise Zones across the capital, https://www.london.gov.uk/press-releases/mayoral/mayor-expands-creative-enterprise-zones


\textsuperscript{62} Night Time Enterprise Zones, https://www.london.gov.uk/what-we-do/arts-and-culture/24-hour-london/night-time-enterprise-zones

\textsuperscript{63} Mayor names Walthamstow as first-ever Night Time Enterprise Zone https://www.london.gov.uk/press-releases/mayoral/walthamstow-named-first-night-time-enterprise-zone
In a press release in June this year, the GLA attributed the NEZ project as contributing to an increase in Walthamstow high street footfall by 20%, as well as improving perceptions of safety and local participation⁶⁴. We will be reaching out to the GLA to see how these new zones incorporate the creative and cultural sectors given the clear crossovers.

### What can we learn from this example?

- **The strategic priorities of combined and local authorities within them can be addressed simultaneously.**

  Through a clear accreditation process, the GLA have been able to shape the high-level strategic objectives of their cultural place-shaping programme, providing participating local authorities with a clear steer on the types of outcomes CEZs should aim to deliver to support wider regeneration priorities. Nonetheless, each borough has been able to lead in the design and delivery of their own programmes of activity in a way that responds to the specific needs of their local area.

- **Combined authority funding can kickstart cultural place-shaping in local authorities.**

  While the London local authorities designed and each delivered their own CEZ programmes, the resources required to deliver them was provided for by the combined authority through a competitive bidding process. This is significant because while business rate reliefs and rent subsidies are undoubtedly effective tools in supporting the local creative economy, it is important to consider the cost implications of such subsidy on a local authority needing to deliver its core and statutory services; grant funding from the combined authority can go a long way to offsetting the costs incurred by the council.

- **Creative and cultural sector workers outside a designated “zone” can still benefit with the right digital platforms.**

  The digital delivery of many of the capacity building, business support and creative directory programmes incorporated into many of the CEZ programmes benefitted individual practitioners regardless of their postcode. While we will explore the importance of a building based approach to collective working in a later section, it is important to consider how remote creative workers (including those with longer travel times or access requirements) can still take part in schemes delivered in their local area, particularly as working patterns and practices continue to evolve within these sectors post-pandemic. We would suggest this is particularly important if programmes are delivered using public funding.

Enterprise Zones

The UK Government’s Enterprise Zone scheme was established in 2012 as a free-market economy model. Although Enterprise Zones are a somewhat older development model, the principles that underpin their design makes them relevant when considering the roll out of CIDs.

Enterprise Zones incentivise businesses to relocate to the designated area using a combination of fiscal and planning tools to kickstart business and economic growth. A local authority can decide the individual sites that will make up the zone to align with local and strategic development priorities for the wider area. There are currently 48 Enterprise Zones across the UK (eight in Wales, one in Northern Ireland, four in Scotland and 35 in England).

An Enterprise Zone can relax business rates for a period of up to five years, provide tax relief for businesses making large investments and simplify spatial planning processes. Furthermore, any growth in business rates income generated by the Enterprise Zone is retained by the relevant Local Enterprise Partnership (LEP) and local authorities in the areas for 25 years to be reinvested in local economic growth programmes.

While most UK Enterprise Zones focus on industries such as advanced manufacturing, energy, automotive and engineering, some in England do specifically include the creative and cultural sectors, as discussed in the examples below.

Newhaven Enterprise Zone

Newhaven is a small coastal town in the Southeast of England, nine miles from Brighton, and well known for its ferry crossing to the French coastal town of Dieppe. Newhaven has both a maritime and industrial heritage but has seen tremendous economic decline over two decades. In 2017, Newhaven made a successful bid for Enterprise Zone status during the UK Government’s second wave of designations.

Newhaven Enterprise Zone, managed jointly by Lewis District Council and the Coast to Capital LEP, is made up of eight individual sites that together cover approximately 79 hectares across the town. Businesses locating to the Enterprise Zone benefit from up to 100% business rates relief for five years as well as simplified planning processes for certain developments. All the growth in business rates generated by the Enterprise Zone is also retained for reinvestment in local growth within the zone for a twenty-year period.

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65 What are Enterprise Zones?, https://enterprisezones.communities.gov.uk/about-enterprise-zones/
66 Newhaven Enterprise Zone, https://newhavenenterprisezone.com
67 Lewes District Council, https://www.lewes-eastbourne.gov.uk
68 Coast to Capital Local Enterprise Partnership, https://www.coast2capital.org.uk
The Newhaven Enterprise Zone is supported by a wider strategic framework that sets growth ambitions right through to 2030 that includes a key objective to grow the ‘cultural economy’ by:

“...enabling creative and cultural practitioners to become more sustainable and contribute to the visitor offer of the town”.70

Furthermore, the Zone has already used finance raised to develop and deploy creative projects in the local area through a ‘BN9 Cultural Programme’71. This programme includes an event competition in which the local community vote on event proposals with four winning events granted £5,000 to deliver in the local area. The ‘Grassroots Awards’72, also supported through the Newhaven Enterprise Zone, is a micro grant programme for local community and cultural projects that has funded a photo fringe exhibition73 and a creative project74 to gather stories from Gen Z and other young people about being a teenager in the town.

New Anglia Enterprise Zone (Space to Innovate)

Space to Innovate75 Enterprise Zone spans the Norfolk and Suffolk regions. Established in 2017 by New Anglia Local Enterprise Partnership76, Space to Innovate has been developed across 10 sites, focusing on supply chain development for the agri-tech, food, health, offshore energy, ICT and creative sectors. While some sites are in Ipswich and Norwich, most are based in rural and smaller town locations, outside of the main conurbations in the region.

One of the 10 areas is the Scottow Enterprise Park77, a 600-acre site based on a former RAF base adjacent to the village of Badersfield, that has been able to support several creative businesses. Owing to its former use, the site incorporates a mixture of office space, hangers, workshops, warehouses, studios and storage spaces that can be rented. The site lends itself particularly well as a filming location and has generated a small agglomeration of creative business ranging from a freelance photographer, a VFX studio, recording studio, film studio and a sound and events studio that nestle successfully next to engineering, aerospace, and joinery sector businesses.

Enterprise Zones are well-established and centrally initiated models that incorporate mechanisms that are not readily available to local authorities. It is unclear whether the UK Government will continue to promote and establish additional Enterprise Zones in the future. However, there are principles and learnings from this model that are appliable to a CID that local authorities with strategic planning powers and master planning approaches could replicate.

75 Space to Innovate Enterprise Zone, https://newanglia.co.uk/enterprise-zones/
76 New Anglia Local Enterprise Partnership, https://newanglia.co.uk/
77 Scottow Enterprise Park, https://scottowenterprisepark.com/
What can we learn from this example?

- **The creative and cultural sectors can be pivotal in broader regional growth plans.**

  Even within a much broader programme focussed on other industrial sectors, Newhaven Enterprise Zone have made an explicit commitment to supporting the creative and cultural sectors to achieve their overall growth objectives. This represents not just a promising merging of cultural policy with wider economic development, planning, and regeneration teams within a local authority, but also clearly indicates the power of the creative and cultural sectors in kickstarting wider regeneration outcomes.

- **Taking a strategic approach can support very specific zones to flourish in relation to each other.**

  As both examples above demonstrate, an EZ programme can include individual ‘focus sites’ that grow and benefit particular sectors or subsectors, while simultaneously working together to grow the wider economy in a wider geographical area. A strategic approach, which can be achieved through local plan development, is important for the sustainability of individual CID sites. Thought should be given to how CIDs in neighbouring boroughs, or indeed multiple CIDS within one smaller area, are connected and have space to evolve – not just in relation to each other but within the context of larger public infrastructure growth (such as housing, transport or schools).

- **The creative and cultural sectors can be indirect beneficiaries of business rate retention schemes.**

  In our Newhaven example, we see evidence of how private financing (generated by the increase in rates over time) can directly finance local creative activity and community projects. This can be an important source of income for the local creative and cultural sectors, whether they are located in a EZ or elsewhere in the region. This is an example that we will explore again in the context of Business Improvement Districts in Part Three.

- **The creative and cultural sectors can benefit from agglomeration that takes place outside traditional urban locations.**

  While cultural regeneration programmes are often situated within, or very close to, town and city centres, our New Anglia example demonstrates that it is possible to attract creative and cultural businesses to former brownfield sites outside central locations if the appropriate cultural infrastructures – including physical and digital connectivity - are in place. These kinds of sites can also come with the added benefit of a broader range of spatial options for different creative subsectors (e.g., large filming locations, set building sites, sound stages and studios).
**iMayflower, Plymouth**

In 2019, Plymouth was awarded a £3.5 million grant from the UK Government’s Cultural Development Fund for the iMayflower programme. Run by a consortium comprising the University of Plymouth, Plymouth City Council, Destination Plymouth, Mayflower 400, Plymouth College of Art and Real Ideas, this project focused on the city’s growing digi-tech sector. The aim of the project is to:

“...support localities to develop transformative culture-led economic growth and productivity strategies by investing in our local digital creative industries.”

This three-year programme is being delivered across three core strands: ‘Spaces’, ‘People and Skills’, ‘Thinking and Ideas’. What makes this programme particularly interesting is that it places a specific emphasis on digital and technical assets as opposed to purely bricks and mortar.

The ‘Spaces’ strand focuses on upgrading and extending the use of the University of Plymouth’s technical equipment, providing local business with use of, and training in, technologies ranging from 3D printing and scanning, virtual reality, motion capture and immersive vision theatre.

The ‘People and Skills’ strand supports creative business and individual practitioners to access workspace, training and capacity building. For example, one of the programmes within this strand offers to embed an immersive technology specialist within a company free of charge for a three-month period to share knowledge and build capacity. Another offers a free place on an ‘Enterprise Incubation Programme’ for new graduates, hosted by the University of Plymouth’s ‘IGNITE’ programme.

Lastly, the ‘Thinking & Ideas’ strand provides discounted boot camps and weekend retreats to creative and cultural businesses to build their marketing skills, that in turn helps to attract further investment into the city. iMayflower also supports the next generation of thinkers by providing bursaries for postgraduate study at the University of Plymouth, the courses for which involve placements and direct collaborations with leading creative businesses and cultural organisations.

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78 iMayflower – University of Plymouth, [https://www.plymouth.ac.uk/business-partners/the-bridge/imayflower](https://www.plymouth.ac.uk/business-partners/the-bridge/imayflower)
79 Pledge 68 – Mayflower 400, [https://view.plymouth.gov.uk/pledge-68-mayflower-400](https://view.plymouth.gov.uk/pledge-68-mayflower-400)
80 Destination Plymouth, [https://www.visitplymouth.co.uk/destination-plymouth](https://www.visitplymouth.co.uk/destination-plymouth)
81 Pledge 68 – Mayflower 400, [https://view.plymouth.gov.uk/pledge-68-mayflower-400](https://view.plymouth.gov.uk/pledge-68-mayflower-400)
82 Plymouth College of Art, [https://www.aup.ac.uk/](https://www.aup.ac.uk/)
83 Real Ideas, [https://realideas.org/location/plymouth/](https://realideas.org/location/plymouth/)
86 General iMayflower Prospectus (visitplymouth.co.uk) pg 11 [https://www.visitplymouth.co.uk/dbims/General%20iMayflower%20Prospectus.pdf](https://www.visitplymouth.co.uk/dbims/General%20iMayflower%20Prospectus.pdf)
88 IGNITE programme, [https://www.ignitefutures.co.uk/about/](https://www.ignitefutures.co.uk/about/)
in the area, as well as other sectors where creative practice are pushing the boundaries of what’s possible in healthcare and civil society.

What can we learn from this example?

- **Programmes to support the creative and cultural sectors do not necessarily have to incorporate physical space to be impactful.**

  While many of the cultural regeneration initiatives we explore involve the provision of physical space to some degree, the ‘iMayflower’ programme demonstrates how programmes that extend the use of technology and equipment to the creative and cultural sectors could also build improved sectoral sustainability.

- **Anchor institutions often have assets that could be shared more widely with the local creative and cultural sectors.**

  The ‘iMayflower’ model works particularly well because of the capability and resources brought into play by the University of Plymouth, which is well placed to house, update and share its digi-tech labs and expensive specialist equipment as part of a wider programme of activity.

- **Asset sharing can promote Knowledge Exchange between anchor institutions and the creative and cultural sectors.**

  Initiatives that support the sharing of technology and facilities that would otherwise be unavailable to the creative and cultural sectors can support and scale up the capacity of these sectors and lead to exciting R&D breakthroughs such as the development of more sustainable creative practices. These discoveries can play a role in attracting domestic and international investment from both the private and public sectors.

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In our next category of examples, we zoom in to a smaller geographical level to projects taking place at the ‘Mezzo’ level. In UK planning terminology, there is no exact term that covers development at this geographical level: across the UK, as well as in international examples, programmes at this scale are interchangeably referred to as district-, site-, zone- or neighbourhood-level and tend to cover sub-local areas or larger allocated sites.

The Baltic Triangle

Baltic Creative CIC\(^{90}\) has been operating in the Baltic Triangle region of Liverpool since 2009, providing commercial spaces and capacity building support to the creative and cultural sectors, with a tenancy mix covering a wide range of DCMS subsectors.

The development of the hugely successful Baltic Triangle that we know today goes back to the early 2000s when the area, and the RopeWalks region to the north, were identified as forming Liverpool’s new Creative Quarter. However, it wasn’t until 2008, when following pressure to expand housing supply from the city centre, the area was repurposed from industrial development to an area for mixed development. With the support of Liverpool Vision\(^{91}\)—a former Economic Development Company operating in the region—the newly formed Baltic Creative CIC secured £4.5 million of grant funding from the European Regional Development Fund\(^{92}\) (an EU structural fund) and the former Northwest Regional Development Agency\(^{93}\). This start-up funding was used to refurbish four warehouses in a semi-derelict industrial part of the city.\(^{94}\)

Thirteen years later, Baltic Creative incorporates a portfolio of 120,000sq/ft of mixed-use commercial space, providing a home to over 180 businesses\(^{95}\). To achieve this, Baltic Creative have taken the lead on several ambitious regeneration projects for the area, including: ‘Digital House’—a £3 million project to repurpose a derelict warehouse which now provides 17,000sq/ft of creative workspace on Jamaica Street; a £300k shopfront development; and a ‘Creative Campus’\(^{96}\) which is a £1.4 million development offering workspace to 18 creative companies. The Baltic Triangle is home to creative agencies, social enterprises, game designers, record labels, rehearsal space, festival organisers, fashion and textile design companies and ethical coffee shops, as well as organisations like ‘basecamp’\(^{97}\), a hot-desking organisation offering start-up desk space to freelance, self-employed and atypical creative economy workers.

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\(^{90}\) Liverpool Baltic Triangle, [https://baltictriangle.co.uk/](https://baltictriangle.co.uk/)
\(^{92}\) European Regional Development Fund (ERDF), [https://ec.europa.eu/info/funding-tenders/find-funding/eu-funding-programmes/european-regional-development-fund-erdf_en](https://ec.europa.eu/info/funding-tenders/find-funding/eu-funding-programmes/european-regional-development-fund-erdf_en)
\(^{93}\) Northwest European Regional Development Fund, [https://www.erdfnw.co.uk/about-us/erdf-in-the-northwest/](https://www.erdfnw.co.uk/about-us/erdf-in-the-northwest/)
\(^{94}\) Story: From Red Light to Bright Light, [https://www.baltic-creative.com/about/story/](https://www.baltic-creative.com/about/story/)
\(^{95}\) Existing & Pipeline Developments, [https://www.baltic-creative.com/property/developments/](https://www.baltic-creative.com/property/developments/)
\(^{96}\) Creative Hubs Connects, [https://www.baltic-creative.com/services/creative-hubs-connect/](https://www.baltic-creative.com/services/creative-hubs-connect/)
\(^{97}\) Basecamp, [https://basecampliverpool.co.uk/](https://basecampliverpool.co.uk/)
Baltic Creative have never had to set below-market rate rents in their leasing agreements. Instead, they set out their mission statement in the CIC’s Memorandum of Association to acquire space specifically to benefit the creative and cultural sectors. As a result, they set a leasing price in line with the Liverpool area for the needs of different creative and cultural subsectors. Their current status of 100% of premises let and appetite for expansion suggests that this hasn’t been a barrier to the development of the local creative and cultural sectors.

The CIC model requires that all surplus funds to go back into the operation and mission of the wider Baltic Triangle project. This includes running events, ensuring creative activity happens across the city and upgrading the facilities in key buildings. This has led to events such as ‘Light Night 2021’ which opened the Northern Lights campus to members of the public to enjoy various exhibitions and studio tours\(^9\), and the day long ‘Liverpool Against Racism’ music event in April 2021\(^9\).

In 2014, The Studio School\(^10\) and Liverpool Life Sciences University Technical College\(^10\) opened in the Baltic Triangle. With both schools operated by The Northern Schools Trust\(^10\), The Studio School educates people aged between 14-19 in a digital based curriculum, making the most of their proximity to the creative businesses based in the Triangle area to blend learning with hands-on experience in the industry through apprenticeships and placements\(^11\).

Furthermore, in 2022 Liverpool City Region Combined Authority (LCR) announced that a new ‘Liverpool Baltic’ train station will be opened on the site of the former St. James train station in 2025.\(^12\) This is an important piece of the puzzle that was part of the Baltic Creative CIC’s transport plan from the very beginning; Baltic Creative CIC has consistently lobbied Mersey Travel for the opening of the station, and it is possible to infer that the success of the development has been instrumental in unlocking the regeneration of the station. St. James is now set to be the third busiest station in the city, ensuring the long-term connectedness of this evolving creative neighbourhood to the wider city and beyond.

Lastly, Baltic is well known for having successfully created its thriving neighbourhood with creative and cultural businesses thriving in close proximity to retail, hospitality, night-time and third sector economies; including independent coffee shops, retailers, DJs and event organisers as well mental health, urban agriculture and further education social enterprises.

Looking ahead, Baltic Creative CIC has plans to support the development of additional new communities in the Fabric District, an area adjacent to the Baltic Triangle, as well as further afield in nearby Southport.

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100 The Studio School, [https://thestudioliverpool.uk/](https://thestudioliverpool.uk/)
101 Liverpool Life Sciences Technical College, [https://lifesciencesutc.co.uk/](https://lifesciencesutc.co.uk/)
102 The Northern Schools Trust, [https://northernschoolstrust.co.uk/](https://northernschoolstrust.co.uk/)
103 Curriculum, [https://thestudioliverpool.uk/what-we-do/](https://thestudioliverpool.uk/what-we-do/)
What can we learn from this example?

- **Community Interest Companies (CIC) can drive culture-led regeneration programmes that also deliver positive social outcomes.**

  Baltic Creative is a fantastic example of where a ‘not-for-profit’ organisation has taken the lead in delivering a culture-led regeneration programme. Indeed, the Baltic Triangle is not the only area where this has occurred (see Hackney Wick & Fish Island Community Development Trust105 and Onion Collective CIC106). The nature of a CIC means that the organisation must use their assets and profits for the benefit of the community they are constituted to serve over the long-term. CICs are also subject to an “asset lock”, which ensures “assets are retained within the company to support its activities or otherwise used to benefit the community”107.

- **The creative and cultural sectors thrive in mixed-use areas.**

  The Baltic Triangle demonstrates the cross-pollination that’s possible between different creative and cultural subsectors and other sectors when co-locating and growing close to each other. Whilst the overall identity of the Baltic Triangle is a one of a “creative quarter”, the scheme successfully incorporates retail, hospitality and supply chain businesses into the immediate vicinity to ensure a healthy ecosystem that is self-sustaining and where a rounded neighbourhood can flourish.

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**Design District Greenwich**

Design District Greenwich is part of a £8.4 billion regeneration of the 150-acre Greenwich Peninsula, led by international property developer, Knight Dragon. Their vision was to create a thriving new community by commissioning Allies and Morrison (urban designers) in 2015 to deliver a masterplan for the wider area. The scheme covers a relatively small area, spanning just 0.1km of the wider peninsula development, but very much follows on from the larger housing and entertainment development the area has seen over recent years.

The Design District therefore comprises a total of sixteen buildings (designed by nine architectural firms) on a site open to the public providing workspace options for some 1,800 creative workers108. GLA owned land, the developers were required to provide more affordable space for a 10-year period. The Design District team set out that some tenants pay just £5 per sq109.

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106 Onion Collective (CIC), [https://www.eastquaywachtet.co.uk/about/onion-collective](https://www.eastquaywachtet.co.uk/about/onion-collective)
108 Greenwich Design District Review, [https://www.theguardian.com/artanddesign/2021/sep/19/greenwich-design-district-review](https://www.theguardian.com/artanddesign/2021/sep/19/greenwich-design-district-review)
In light of the Covid-19 pandemic and the change in working patterns, we draw attention to the Design District’s innovative new leasing concept: ‘the On/Off Office’110 which gives tenants flexible options to rent office space for one to three days per week. This approach appears to benefit freelance, self-employed, and atypical workers who make up a large proportion of the creative and cultural sectors, as well as micro and small organisations who can otherwise be “priced out” by more rigid tenancy arrangements.

The scheme is now home to several charities and civil society groups with a clear social mission who make use of the affordable workspaces on offer. A tenant of note is Queer Circle111, an LGBTQIA+ charity that seeks to develop a creative and cultural ecology to strengthen the links between culture, health and wellbeing. The charity has been able to secure an affordable lease for a period of five years and are already operating an exhibition and library space designed to provide welcoming and non-commercial space for the LGBTQIA+ community. However, because the affordability policy in place only lasts for 10 years, it is possible groups like these may have to eventually leave the area, given the huge economic profile of the development.

As part of longer-term plans, several facilities are in development that will be hireable to businesses located in the area, including a print shop, 3D printing services, podcast recording studio and ceramic studio. This appears to be providing access to expensive and specialist equipment that might not otherwise be available to smaller creative and cultural organisations and individual practitioners.

Alongside the creative spaces, the development incorporates a food court, rooftop basketball court and, of course, is close to the wider Greenwich Peninsula regeneration area which includes a mixture of housing, the Ravensbourne University London Campus112, multiple restaurants and cafés, and the iconic O2 Arena113 entertainment venue—all of which keeps the Design District and surrounding areas busy both day and night.

Given the huge economic value of the scheme, and the large players involved in it, it is easy to write off the Design District example as unique to the economic circumstances of London. While this is true, and there are valid concerns about how long the affordability requirements will remain, there are some insights that are worth exploring.

### What can we learn from this example?

- **High flexibility in rental options can support ever-evolving working patterns and different spatial needs.**

  The Design District’s “On/Off” rental options make spaces particularly attractive to freelance, self-employed, and atypical workers, as well as the large number of micro and small

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110 Ibid.
111 Queer Circle, [https://queercircle.org/](https://queercircle.org/)
112 Ravensbourne University London, [https://www.ravensbourne.ac.uk/](https://www.ravensbourne.ac.uk/)
113 O2 Arena, [https://www.theo2.co.uk/](https://www.theo2.co.uk/)
organisations that make up the creative and cultural sectors. This approach also enables hybrid and other forms of more flexible working—an increasingly common trend in our post-pandemic world. A more dynamic range of rental options seems to attract different types of creative workers at different points of the day; this leads to a broader range of businesses, and by extension a broader range of economic activity, networks and pedestrian flow that combine to keep the site animated morning, noon and night.

- **It is possible to create a new “destination” that incorporates the creative and cultural sectors.**

The Greenwich Peninsula is an ex-industrial site that has shaped up into an iconic new destination, distinct but benefitting from the historic high street further west of the borough and wider regeneration close by. As we’ve seen, the Baltic Triangle’s proximity to the studio school and the design district’s proximity to wider regeneration (including housing, a university campus and the 02 Arena) reveals how different sectors can co-locate and grow successfully near each other. The concept of mutually beneficial mixed-use schemes is well-established in planning, but due to the vast requirements on the planning system, cultural approaches can get left behind in these plans. In the past decade, we have seen an emergence of peripheral site regeneration starting to include the creative and cultural sectors; other examples on a larger scale include Nine Elms and MediaCityUK - likely to be unrealistic for smaller CID style projects.

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114 Nine Elms, [https://nineelmslondon.com/business/](https://nineelmslondon.com/business/)
115 Media City, [https://www.mediacityuk.co.uk/](https://www.mediacityuk.co.uk/)
Micro Scale

The examples in this category involve culture-led or culture-supported regeneration activity at the smallest of our scales, where projects and activities focus on just one or two buildings or similar within a hyperlocal area. Micro scale examples are important to consider as CIDs evolve because they often incorporate impactful interventions that can be made in smaller areas and spaces where the creative and cultural sectors are co-locate.

**International House, Lambeth**

When Lambeth Council moved 600 staff from their former offices at International House to the newly refurbished Town Hall in 2010, they set to work on how to make the best use of the building they had left behind. Working in partnership with the not-for-profit charity 3Space who work to increase provision of spaces for public good in cities, Lambeth Council opened a five year ‘meantime’ use scheme, focused on providing affordable space for creative and cultural workers.

Working within a ‘meantime’ model, 3Space have, to date, spent over £900,000 on refurbishing the building and have provided £1.1 million of income to the Council over the five-year period. Using 3Space’s ‘BuyGiveWork’ model where one space is bought and one space is given free of charge to the tenant, International House has five ‘give’ floors that feature public and community event spaces; a whole floor for a youth business development initiative ‘Business Launchpad’; and five ‘buy floors’ housing creative, cultural and third sector micro, small and medium size enterprises and start up/scale up creative businesses. Interestingly, the Brixton Business Improvement District is also resident in the building, and we explore the BID model in Part Three of this paper.

The ‘BuyGiveWork’ example enables 3space to cross-subsidise space for not-for-profit organisations and establish closer ties between them and the private and wider public sectors. For example, International House is home to Resi Architects, one of the building’s anchor tenants. Through engaging in the BuyGiveWork programme, by the end of 2019, Resi had employed 3 people not in education, work or training (NEET), provided 9 work experience placements, took on 1 apprentice and provided pro-bono/low fee design work for not-for-profit tenants.

Recognising the importance of recording wider social impacts, 3Space have already been working with AKOU throughout 2022 to measure the positive social outcomes and relationships facilitated by the International House project. In just a single year, International House has created 197 new jobs, employed 400 people, provided 58 not-for-profit and social enterprises with free office space, kick-started 22 new youth-led businesses and delivered over 300 networking and social events each.
quarter\textsuperscript{122}. Critically, International House is home to a diverse profile of social enterprises led by Black and minoritised ethnic groups, woman and LGBTQIA+ communities—those groups within the creative and cultural sectors workforces that were most impacted by the Covid-19 pandemic.

The results suggest the project has managed to successfully balance the competing demands of the town centre, acting as both a market-maker through introducing creative and digital industry uses whilst protecting important social, economic and cultural activities. It also contributes around £16 million GVA to the local economy and generates more than £2.7 million in social value outputs each year, including £800,000 in rent forgone to civil society\textsuperscript{123}. In doing so, International House has set a high standard for other operators moving into the area, helping to secure the long-term future of the zone.

<table>
<thead>
<tr>
<th>What can we learn from this example?</th>
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<tbody>
<tr>
<td><strong>Local authorities can use their existing land and property portfolios to anchor new creative and cultural areas.</strong></td>
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<tr>
<td>By thinking creatively about their own asset portfolio, Lambeth Council has been able to use one of their own buildings to cultivate a new creative district in their area quickly and effectively. We note that the GMCA and many of the local authorities that constitute it also own a variety of assets that could play a similar role.</td>
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<td><strong>A physical location or asset can help cement working connections between the creative and cultural sectors and wider civil society.</strong></td>
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<tr>
<td>The mix of private, not-for-profit and community organisations alongside open public access in a physical location at International House has enabled the build-up of social capital amongst the local creative and cultural sectors and is actively building sectoral resilience. The benefits are also being felt beyond the creative and cultural sectors, including in wider civil society, thanks to the social dimension the operators integrate into the operating model.</td>
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<tr>
<td><strong>Local authorities can successfully partner with independent organisations with a clear social mission to support in the realisation of cross-cutting policy objectives in a local area.</strong></td>
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<tr>
<td>The cross-subsidy design of the ‘BuyGiveWork’ model operating at International House by 3Space has a clear social mission and has directly supported not-for-profit and civil society groups, as well as creative and cultural workers at risk of marginalisation. As we have seen in other examples, charitable bodies can be well placed to ensure these wider priorities are embedded into a project over the longer-term.</td>
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\textsuperscript{122} 3Space, International House Annual summary 2019: \url{https://www.3spaceinternational.co.uk/impact}
\textsuperscript{123} Creative Enterprise Zone Case Studies \url{https://www.london.gov.uk/what-we-do/arts-and-culture/culture-and-good-growth/explore-creative-enterprise-zones/creative-enterprise-zone-case-studies}
**District 10 and Water’s Edge**

Another example of a small ‘design district’ project happens further north, in Scotland’s east coast City of Discovery, Dundee. In 2001, Dundee City Council developed a thirty-year masterplan to reunite the city’s waterfront to the historic city centre. Over a decade later, this project has attracted investment of over £1.6 billion to an area covering 240 hectares of land stretching 8km alongside the River Tay, established the largest V&A campus outside London\(^{124}\). It was designated the UK’s first UNESCO ‘City of Design’\(^{125}\) and is now the third largest regeneration project anywhere in the UK.

As part of the wider masterplan, the ‘District 10’ project is located within a former railway goods yard in Seabraes\(^{126}\). Aim Architects developed the masterplan for the Seabraes area\(^{127}\) and designed the first location, ‘District 10’—a three story BREEAM ‘excellent standard’ building made from recycled shipping containers that provides 15 flexible workspaces for creative businesses. ‘District 10’ opened its doors in 2014 and is now home to an architectural firm, a games developer and events, marketing, and media companies. Home to more than 350 businesses, employing more than 3,300 people and generating a combined annual turnover in excess of £185 million, Seabraes has become home to a burgeoning creative hub.

While the design of the building itself attracted widespread acclaim from the development industry, Dundee’s wider vision for a larger creative media district is yet to be fully realised. The Seabraes area still awaits further development, leaving District 10 relatively isolated from the city centre and university campus.

In contrast, City Quay\(^{128}\), the Dundee City Council’s regeneration area located to the Northeast of the main regeneration site, has had more luck in attracting Dundee’s creative community. While originally envisioned as a 10.5-hectare mixed-use site (office, leisure, residential and retail), City Quay is now home to Water’s Edge\(^{129}\), a commercial development led by Chroma Developments\(^{130}\). Founded by 4J Studios\(^{131}\) (the iconic Dundee based Minecraft developers) Chroma Developments commissioned Dundee based architects Nicoll Russell Studios\(^{132}\) (designers of the Dundee Rep Theatre) to develop a new commercial space incorporating Flux\(^{133}\)—a new co-working site for up to 50 people.

Water’s Edge opened in 2019, and now houses a mix of tech start-ups, consultancies, insurance brokers and gaming developers (Storm Cloud, Hutch Games, Puny Astronaut and 4J Studios)\(^{134}\). While City Quay still attracts a variety of ‘mixed use’ tenants, it is interesting that Water’s Edge has

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124 V&A Dundee, [https://www.vam.ac.uk/dundee/info/creating-va-dundee](https://www.vam.ac.uk/dundee/info/creating-va-dundee)
125 Dundee wins UNESCO City of Design Status, [https://www.vam.ac.uk/dundee/info/dundee-wins-unesco-city-of-design-status](https://www.vam.ac.uk/dundee/info/dundee-wins-unesco-city-of-design-status)
127 District 10 Masterplan, [https://aimdesign.co.uk/projects/district-10-masterplan](https://aimdesign.co.uk/projects/district-10-masterplan)
129 Water’s Edge Dundee, [https://watersedgedundee.co.uk/](https://watersedgedundee.co.uk/)
130 Chroma Developments, [https://chromadevelopments.com/](https://chromadevelopments.com/)
131 4J Studios, [https://www.4jstudios.com/](https://www.4jstudios.com/)
133 Flux, Water’s Edge, [https://watersedgedundee.co.uk/co-working/](https://watersedgedundee.co.uk/co-working/)
134 Water’s Edge Tenants, [https://watersedgedundee.co.uk/about-us/waters-edge-tenants/](https://watersedgedundee.co.uk/about-us/waters-edge-tenants/)
managed to attract a stronger agglomeration of gaming and tech companies than the Seabraes development, which was specifically designed to do exactly this.

**What can we learn from this example?**

- **Isolated and single sector use creative spaces may be unable to deliver the broader social outcomes.**

  While the story is certainly not over for District 10, the relatively self-contained nature of the development means that while an increase in the provision of space has been achieved, the spill over benefits associated with more substantial and joined up place-based cultural regeneration programmes have not been forthcoming.

- **Involving a flagship organisation in the early stages of the development process can generate real momentum.**

  When comparing District 10 with Water’s Edge and the success of each development in attracting and housing Dundee’s gaming industry it is hard to ignore the gravitas that 4J owned development company Chroma Developments has brought to the latter. The securing of a flagship organisation early on in a scheme is common practice for de-risking projects in other types of regeneration activity (e.g., major housing, retail or hospitality) and perhaps, as in this example, can give confidence to smaller business within the same sector to relocate to the area.
Part 3: Enablers of cultural regeneration

There are several examples we wish to include in this paper that do not fit neatly into the three levels we have set out so far, but that have nonetheless played an important role in helping local areas achieve similar outcomes. The examples in this category demonstrate how other programmes focussed on improving local economies or support the creative and cultural sectors to flourish, could possibly be deployed to increase the quality of a CID.

Business Improvement Districts

Business Improvement Districts (BIDs) are statutory mechanisms enshrined in UK legislation, introduced by the Local Government Finance Act 2003 in England and Wales. A BID is:

“...a defined area in which a levy is charged on all business rate payers in addition to the business rates bill... developing projects which will benefit business in the local area”

A BID can be established by “…the local authority, a business rate payer or a person or company whose purpose is to develop the Business Improvement District area, or that has an interest in the land”

There are currently 331 BIDs in the British Isles, investing £145,759,773 each year to interventions that benefit local businesses, between them, representing some 124,310 businesses across the UK. The smallest BID includes just 29 members, and the largest is home to over 3,000.

The BIDs also vary on everything from geographical location to the type of businesses involved, as well as the rate of the levy payable (although this tends to sit between 1-4% of their businesses rateable value) and the types of programmes delivered through the funds raised by the levy.

While a BID may be initiated by different partnership models, any ‘proposer’ must submit a formal plan to the local authority which, once agreed, is subject to a local ballot between the proposed levy paying businesses. If agreed, businesses falling inside the BID area are required to pay the levy for a period of up to five years, at which point another ballot must be held if the BID is to continue.

As a general principle, all BIDs share a common ambition to improve the economic productivity of their local area and deploy a combination of marketing, land development, educational and, importantly, cultural activities, to achieve this. Programmes financed by the BID usually fall into the following categories: marketing; security & surveillance; accessibility & connectivity; business support; and supporting the local community. In practice, this usually manifests as support for local beautification projects, extra security and management of the public realm, and joint events.

Guidance: Business Improvement Districts: https://www.gov.uk/guidance/business-improvement-districts

ibid


Ibid

British BIDs: Guide to BIDs for local authorities 2022: pg 5

And, give notice to the Secretary of State at least 84 days before formally asking the local authority to arrange a ballot
campaigns and schemes to raise the profile of the BID zone and increase footfall during the day and evening.

Many BIDs also rely on collaborations with the local creative and cultural sectors to achieve the aims of their business plan. For example, common programmes delivered using levy monies include street festivals, Christmas and other seasonal markets, art installations and live performances in outdoor spaces. These programmes seem to work particularly well where creative and cultural sector representatives are actually included in BID governance mechanisms and can therefore provide guidance to the BID on the types of outputs these sectors can help generate and the most appropriate local artists or creative businesses to commission.

The Yorkshire Coast Bid (YCBID) was established in 2018 to put the Yorkshire coast on the international tourism map141. It covers a large swathe of coastal land on the east Yorkshire coast, stretching from Withernsea in the south, to the village of Staithes in the north, incorporating larger settlements like the seaside towns of Scarborough, Whitby and Bridlington.

In their initial business case, the Yorkshire Coast BID proposed to spend their income raised by a levy on a combination of business support, a cleaner and greener coastline, visual appearance, marketing and promotion of events, and area specific project funds. The BID has since supported a plethora of projects incorporating the creative and cultural activity, including the commissioning of local sculptor Emma Stothard to create a coastal collection142, the regeneration of the Withernsea Pier143, the ‘Whitby Winter Festival’144, a Scarborough gift card scheme145, and a 3-year pan-regional performance based on ‘The Odyssey’ performed by Animated Objects146 and The Old Parcels Office ‘Artspace’— a Scarborough based regeneration project that incorporated a new arts and learning space in a Grade II listed building located in Scarborough Station147.

**What can we learn from this example?**

- **BIDs can directly support the local creative and cultural sectors.**

  As demonstrated by our example in Yorkshire, BIDs and the creative and cultural sectors are able to work together on programmes that are mutually beneficial. Many BID areas spend their levy investing in or commissioning creative and cultural activity designed to attract visitors to the area and can therefore act as key commissioners of these sectors in a local area. As with the Newhaven Enterprise Zone, thought should be given on how CID areas can work together to make the most of the Levy generated to fund cultural regeneration activity that brings benefit for all parties involved.

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141 Yorkshire Coast Bid, [https://www.yorkshirecoastbid.co.uk/](https://www.yorkshirecoastbid.co.uk/)
142 Coastal Sculpture Collection, [https://www.yorkshirecoastbid.co.uk/coastal-sculpture-collection/](https://www.yorkshirecoastbid.co.uk/coastal-sculpture-collection/)
143 Withernsea Pier, [https://withernseapier.co.uk/index.html](https://withernseapier.co.uk/index.html)
144 Whitby Winterfest, [https://whitbywinterfest.com/](https://whitbywinterfest.com/)
145 Gift Card Scheme, [https://www.scarborough.gov.uk/latest-news/scarborough-gift-card-launch-christmas#:~:text=The%20Scarborough%20Gift%20Card%20can%20be%20spent%20on,be%20a%20part%20of%20the%20programm%20for%20free](https://www.scarborough.gov.uk/latest-news/scarborough-gift-card-launch-christmas#:~:text=The%20Scarborough%20Gift%20Card%20can%20be%20spent%20on,be%20a%20part%20of%20the%20programm%20for%20free)
146 The Odyssey, [http://www.animatedobjects.org/Odyssey.html](http://www.animatedobjects.org/Odyssey.html)
147 The Old Parcels Office, [https://www.oldparcelsoffice.org/about/](https://www.oldparcelsoffice.org/about/)
BID income is reliant on placing an additional cost on local businesses.

In the context of Covid-19 and the cost-of-living crisis, a BID levy could become an additional cost for smaller business who are required to pay the levy on top of business rates, rising interest rates and the cost of materials. Furthermore, there has been limited research on the ‘winners and the losers’ of a BID levy across business in the local area. We should always be mindful of any disproportionate cost/benefit to participating businesses.

Cultural Compacts

In February 2019, the UK Cultural Cities Enquiry published their final report setting out eight key recommendations to “increase the ability of our cities to drive inclusive growth”148. One of the recommendations was that Core Cities should establish a “City Compact for Culture to bring together local partners with a shared interest in maximising the role of culture”149. These partners were envisaged to work together to “deliver a plan to drive social and economic benefits from a thriving cultural ecosystem”150. The report proposed that the Compacts should include a range of stakeholders from creative businesses and cultural organisations, Further and Higher Education Institutions, local authorities, and other key anchor institutions, and take a lead on the establishment of cultural property portfolios, social venture funds and other initiatives to improve the skills and diversity of the local creative and cultural sectors151.

This recommendation was taken forward by the UK Government and, in 2019, the DCMS and ACE funded the creation of 20 new Cultural Compacts across England. The onset of the Covid-19 pandemic in 2020 significantly impacted the roll-out of the Cultural Compact programme so there is less case study material to draw on at this stage. Some Cultural Compacts are still in their infancy, and many are still establishing their governance structures and operating model. However, of those still up and running across England, there are some tangible examples of programme delivery.

A 2020 report commissioned by ACE surveyed the progress made and lessons learnt from the 20 Cultural Compacts across England so far152. The report indicates that Cultural Compacts were:

- Showing early signs of adding value and resource to cross sector working in a locality
- Creating ‘shared ambitions’ for local development
- Raising the voice of the value and contribution of the cultural and creative sectors in place-based development

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149 Ibid, p12
150 Ibid p.12
151 Ibid
• Doing particularly well when incorporating a strong chair and independent governance mechanism
• Showing some evidence of engaging local community and adding voices beyond the ‘usual suspects’

A strategy document produced by the Sheffield Cultural Compact known as Culture Collective sets out several objectives and five actions for delivery over a three-year period\(^{153}\). These include the development of a ‘message house’ to promote the role of culture in local regeneration; support for key capital projects related to culture; supporting the establishment of future NPOs in Sheffield; and supporting freelancers and smaller grassroots cultural organisations across the city.

Since publication of the Cultural Compact’s strategy, Sheffield City Council have adopted it as a de facto strategy and partnered with the Culture Collective to develop a bid for the first round of the UK Government’s Levelling Up Fund. In October 2021, the UK Government announced that Sheffield would receive a £37 million grant\(^ {154}\) for two capital development projects including a new Park Hill Art Space and a new city centre home for Harmony Works, as well as three cultural programmes in the suburb of Attercliffe; in feedback from the bidding round, DCMS indicated that the strength of Sheffield’s bid was centred on Sheffield publishing a joined-up and ambitious ‘Strategy for Culture’\(^ {155}\).

What can we learn from this example?

• **Independent cultural leadership bodies can catalyse cultural development in a local area.**

  While still in their infancy, evidence emerging from Sheffield’s Cultural Compact suggests that cultural leadership boards can help support the development of area-wide strategies and collaborate with local authorities to roll-out programmes.

• **The relationships between cultural leadership bodies, local people and wider sectors could be strengthened.**

  The Cultural Compact programme shows early signs of “adding value” to cross-sectoral working and supporting engagement with local communities. However, the programme is still in its infancy and more thought needs to be given to governance arrangements that can both develop collaboration with sectors beyond the creative and cultural sectors and engage local communities in more inclusive and democratic ways.

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\(^{153}\) Culture Collective: A strategy for Sheffield, [https://www.sheffield-culture-collective.co.uk/home/our-vision](https://www.sheffield-culture-collective.co.uk/home/our-vision)

\(^{154}\) Sheffield welcomes £37m to fund two major regeneration projects [https://www.welcometosheffield.co.uk/content/articles/sheffield-welcomes-37m-to-fund-two-major-regeneration-projects/](https://www.welcometosheffield.co.uk/content/articles/sheffield-welcomes-37m-to-fund-two-major-regeneration-projects/)

\(^{155}\) Culture Collective, [https://www.sheffield-culture-collective.co.uk/home/latest-updates](https://www.sheffield-culture-collective.co.uk/home/latest-updates)
**BIDs and Compacts - better together?**

Truro’s Cultural Compact, named Tyller A Nerth (translation: ‘a place of energy’) was established in partnership with Cornwall Council\(^{156}\), the Cornwall and Isles of Scilly Local Enterprise Partnership\(^{157}\), ACE\(^{158}\), National Lottery Heritage Fund\(^{159}\) and Historic Buildings and Monuments Commission for England\(^{160}\), as part of the ACE funding round in 2019.

One of the most interesting features of Truro’s Cultural Compact is its relationship with the Truro BID who are a key partner of the Cultural Compact and sit on its strategic board. The close working between the Truro BID and the Cultural Compact has led to a shared understanding of the city’s creative and cultural infrastructure. The Truro BID appears to understand and value the role the creative and cultural sectors can play in generating cultural programmes in Truro that provide paid work for producers, freelancers and smaller theatre, circus and dance companies.

The BID has always worked closely with the Council to support the twice weekly farmers market and events on Lemon Quay with specialist live performance equipment. Truro BID have supported the annual ‘City of Lights’\(^{161}\) (both financially and strategically) for the past 10 years, facilitating the small collective of artists to deliver a regional highlight in the festive calendar.

However, in the past three years, Tyller A Nerth have had a growing role in booking cultural activity across the Christmas programme and producing the Festive Friday parade. The cultural partners work with Truro BID on ‘Children’s Day’\(^{162}\) and ‘Truro Trend’\(^{163}\) (a fashion show in the Cathedral) to offer additional layers of activity such as storytelling in libraries, guerrilla museum activity and silent discos. In the coming year, the Cultural Compact’s newly formed ‘Inclusive Culture’\(^{164}\) working group will be collaborating with Truro BID, ‘Cornwall Pride’\(^{165}\) and the Cathedral to create ‘Truro Ballroom’\(^{166}\).

<table>
<thead>
<tr>
<th>What can we learn from this example?</th>
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<tr>
<td>• <strong>Formal governance mechanisms associated with the creative and cultural sectors can work productively with other local decision-making bodies.</strong></td>
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The Cultural Compact and BID working together in Truro exemplifies how more formalised governance mechanisms can serve to practically cement relationships between sectors in a

\(^{156}\) Cornwall Council, [https://www.cornwall.gov.uk/](https://www.cornwall.gov.uk/)

\(^{157}\) Cornwall and Isles of Scilly Local Enterprise Partnership, [https://cioslep.com/](https://cioslep.com/)


\(^{159}\) National Lottery Heritage Fund, [https://www.heritagefund.org.uk/](https://www.heritagefund.org.uk/)

\(^{160}\) Historic England, [https://historicengland.org.uk/](https://historicengland.org.uk/)


\(^{162}\) Children’s Day, [https://www.trurobid.co.uk/projects/events/childrensday](https://www.trurobid.co.uk/projects/events/childrensday)

\(^{163}\) Truro Trend, [https://www.trurobid.co.uk/projects/events/truro-trend](https://www.trurobid.co.uk/projects/events/truro-trend)

\(^{164}\) Cultural Compact, [https://www.trurobid.co.uk/projects/business/tyller-a-nerth-truros-cultural-compact](https://www.trurobid.co.uk/projects/business/tyller-a-nerth-truros-cultural-compact)

\(^{165}\) Cornwall Pride, [https://cornwallpride.org/](https://cornwallpride.org/)

\(^{166}\) Truro Cathedral, [https://www.trurocathedral.org.uk/](https://www.trurocathedral.org.uk/)
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<th>locality, facilitating the exchange of knowledge, contacts and delivery capabilities leading to higher quality cultural programmes.</th>
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<tr>
<td>• <strong>Existing cultural governance mechanisms can improve the quality and inclusivity of cultural events delivered by BIDs.</strong></td>
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The Truro example shows us that where an independent cultural governance body exists in a place that is well connected to a BID, the quality and inclusivity of cultural activity in a region is increased. With better links to the creative and cultural sector, existing creative and cultural networks and governance mechanisms can steer BID activity and professional teams towards the right practitioners and creatives to deliver programmes, including ensuring these are inclusive and employment practices are delivered to the best standard.
Part 4: Policy recommendations

In Part Two and Part Three, we have laid out several observations from examples of projects and programmes that have delivered cultural regeneration in a variety of ways and at several scales over the past 10-15 years.

In Part Four, we combine those observations to develop a series of ‘light touch’ policy recommendations directed towards decision makers. We hope this thinking will complement the work already done by colleagues at the GMCA, CLES and local authorities in Greater Manchester, but also fold in a few concepts and principles that we feel should be considered as the CID programme develops.

What’s missing?

Our chosen example projects in Part Two and Part Three encompass a wide range of best practice that could be applied to CIDs. The example projects are also, in the main, limited to England, meaning many successful placed-orientated cultural regeneration programmes that are taking place across the other nations of the UK and internationally are not factored in at present. In addition, this paper has been developed quickly and with few secondary sources associated with the CID programme available given its relative infancy.

Local community participation

There are many examples of capital development and economic regeneration projects led by community groups empowered by the Localism Act 2011 across the country that we have not been able to include in this report. However, the case for more open, democratic and inclusive regeneration and planning processes has been developing since the 1960s; it is now widely acknowledged in the sector that more work needs to be done to create governance models that empower local people to not only have their say, but also to lead cultural regeneration from a grassroots level. The recent ‘Levelling Up’ White Paper builds on and sets out the UK Government’s plan to empower communities further so they can lead regeneration projects in local areas with the support of grants such as the Community Ownership Fund. Therefore, we believe that any future CID design should consider how to not only involve but empower the community to take co-ownership of the design and delivery of a CID.

Social and environmental outcomes

The delivery of social alongside economic and environmental outcomes is critical to the delivery of sustainable development. The articulation of CIDs that we have reviewed so far focus on the dual objectives to: 1) support the creative and cultural sectors and 2) support the local economy. However, there are fewer details on the social and environmental impacts that CIDs could bring to local communities. We therefore encourage all stakeholders working on the design of CIDs to give
equal prominence to 3) social and environmental outcomes, to ensure they are sustainable over the longer-term.

**Diversity and Inclusion**

Recent research into the impact of the Covid-19 revealed that the pandemic heightened structural inequalities within the creative and cultural sector\(^{167}\). During the pandemic, people leaving creative occupations (i.e., creative roles in the creative and cultural sectors but also in the wider economy) were predominantly: women, disabled, younger (under 30), without higher education qualifications and from minority ethnic groups. Culture Commons and the Centre for Cultural Value have recently recommended that the UK Government address the disparities through a new Inclusion and Diversity Strategy\(^{168}\). We believe that any future initiatives designed to support the creative and cultural sector, should also address these historic imbalances.

It may be helpful to imagine the following recommendations being implemented in a sequence: we start with strategy development at the regional level and building inclusive governance structures. They move on to design and delivery of the specific developments in question. We finish with considerations on what policies and programmes can wrap around to enable the CID to flourish over a longer period. It is fully anticipated that some of our recommendations will not be relevant to all CID areas.

\(^{167}\) Centre for Cultural Value’s ‘Culture in Crisis’ report, [https://www.culturehive.co.uk/CVIresources/culture-in-crisis-impacts-of-covid-19/](https://www.culturehive.co.uk/CVIresources/culture-in-crisis-impacts-of-covid-19/)

### 1) Set strategic parameters

#### Embed CIDs in wider strategic planning and development

- Although CIDs, as originally conceived, are expected to be located in a defined geographical area (the ‘mezzo’), they should also be considered within wider strategic plans for the region (the ‘macro’), so they support and inform wider decision making in wider policy areas such as transport infrastructure and housing.

- Each CID could be developed strategically in places to support in the achievement of specific policy objectives; this could include developing particular DCMS subsectors or involving local people from under-represented demographics. Combined and local authorities should carefully assess how multiple CIDs across one region (or even within individual boroughs) could affect the overall creative and cultural ecology of the region.

- By working together in harmony, CIDs could become drivers of creative, cultural and social transformations across a region. Combined authorities should consider supporting a CIDs network to ensure best practice and mutual support can be shared between key pioneering stakeholders across local authorities as early as possible.

#### Set strategic policy objectives but empower local authorities to lead

- Any CID programme promoted or led by the combined authority should set clear and deliverable objectives and suggest possible policy approaches and tools for delivery, but take a flexible and pragmatic approach to accommodating local policy priorities. Drawing on learning from the CEZ programmes, combined authorities could consider incorporating some kind of accreditation process into any grant-based CID programme as a way of harmonising the strategic priorities at the combined authority level with the local needs to ensure both benefit. A truly collaborative relationship between the combined and local authorities should result in CIDs looking quite different from place to place.

#### Plan for the delivery of social and inclusive outcomes

- Social outcomes for local people can, and we argue should, be at the heart of any CID programme. Indeed, this could be the key feature that distinguishes a CID from other place-based regeneration models. Social outcomes are not just crucial to sustainable development but a
A creative and cultural project that responds to what local people want to see will draw audiences, footfall and interest. This will help keep CIDs sustainable over the longer term, generating ‘spill over’ social and health benefits while promoting a sense of local ownership and pride in place.

- CID areas should also consider the ways they foster greater equality, diversity and inclusivity within the creative and cultural sectors. The Covid-19 pandemic illustrated the gulf that has emerged between different demographic groups and DCMS subsectors. Any cultural regeneration programme, and particularly those utilising public funding, must make the most of the investment to address long-term and systematic imbalances faced by minoritised ethnic groups, woman, disabled, younger workers, those without degree level education and LGBTQIA workers.

<table>
<thead>
<tr>
<th>Explore site options carefully</th>
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<tr>
<td>- As we have found, different subsectors of the creative and cultural sectors often have very different requirements when it comes to space. For example, while small laptop hotdesking spaces work for some, live performance, tv, film and recorded media makers usually require larger spaces. Any site being considered for incorporation within a CID plan should therefore be able to offer a range of space options to ensure a variety of creative and cultural subsectors can successfully co-locate.</td>
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<td>- While the majority of CIDs are likely to be focused in urbanised centres to regenerate town centres and high streets, our examples of projects in Greenwich, New Anglia, Newhaven and the Baltic Triangle show ‘brownfield’ sites (including ex-industrial sites, former warehouses and storage units) that are often located on the periphery of town centres, can also make ideal locations for the production, dissemination and consumption of creative and cultural activity provided they are physically and digitally well connected.</td>
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<td>- Our International House example demonstrates how assets that are already owned by local authorities can become key enablers for the creative and cultural sectors.</td>
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Combined and local authorities should audit what assets they already have in play (including land and buildings) that could be repurposed to kick-start culture-led and culture-supported regeneration.

**A CID should act as a ‘cultural lighthouse’ for the creative and cultural workforce and businesses**

- Drawing on our learnings from the CEZ and iMayflower examples, it is possible for a CID to benefit creative cultural workers and businesses outside a CID area through digital programmes led by the CID or organisations within it. This could mitigate against the ‘postcode lottery’ inequalities we sometimes see in other place-based programmes. Local authorities should therefore consider incorporating digital platforms into any CID programme to support creative and cultural workers beyond the physical CID location and build the profile of the CID to encourage co-location.

- The iMayflower example has pointed to the positive impacts that the sharing of resources can have on the smaller businesses and organisations that characterise the creative and cultural sectors, particularly when it comes to technologies and tools that are prohibitively expensive. CID stakeholders and tenants should therefore aim to make equipment and facilities available to a much wider geographical area to contribute to the needs of workers right across a combined authority.

**Deploy wraparound funding and enabling powers**

- Several examples we’ve drawn on indicate that policies like discretionary business rate reliefs can add another financial burden for already overstretched local authorities with increasingly reduced budgets. Combined authorities wishing to support CIDs should consider making grant funding available to local authorities setting them up to offset some of the costs associated with such policy approaches where possible. Some of the circa 18 Levelling Up related grant funding schemes available from the UK Government could be helpful for this purpose.

- As their powers evolve and expand in the coming months and years, combined authorities should consider how to use any new enabling powers to ease the burden of cultural regeneration on the local authorities, including
those proposed in the UK Government’s Levelling Up White Paper, such as Mayoral Development Corporations (MDC)\textsuperscript{169} and business rates supplements. Combined authorities exploring Land Commissions should also look to examine how the creative and cultural sectors can be included as those initiatives develop.

\textsuperscript{169} HMG Levelling Up: Levelling Up the United Kingdom, p140
## 2) Build inclusive governance

**Include key stakeholders in CID development activities from the beginning**

- Our examples make clear that well connected cross-sectoral governance structures are crucial to the long-term quality and success of cultural regeneration programmes at scale. Before a CID is rolled out, it could be advantageous to set-up a clear governance structure that includes the creative and cultural sectors, as well as stakeholders from other key sectors (for example retail, hospitality, and the night-time economy) to gather broad-based support and set initial objectives.

- Where areas already have cultural governance structures that are working, CID design and/or delivery could form part of their remit. If a Business Improvement District (BID) is already present in an area where a CID is proposed, it could be beneficial for a BID representative to sit on any CID governance structure to facilitate the mutually beneficial outcomes that the creative and cultural sectors and wider business community can generate when working closely together.

- CID governance bodies need to include representation from the local authority, including officers from the culture, regeneration and planning teams to ensure the dialogue on how to foster mutually beneficial outcomes for their respective portfolios through the CID are maintained.

**Include local people in the development and governance of CID activities from inception**

- As we have already argued, wider social and community outcomes should be a key consideration for any CID programme. Delivering social outcomes is one of the three prongs of fostering sustainable development set out in paragraph 8(b) of the UK Government’s National Planning Policy Framework.\(^{170}\)

- CID stakeholders should look to the recommendations around new community ownership policies set out in the Levelling Up White Paper, including the proposal to enable community shaping in local design codes, as well as utilise existing funding mechanisms like the Community

Ownership Fund to take control of assets that could boost CID activity and lock in social value.

- It appears that local community participation in the decision-making processes associated with the examples we have included in this paper are limited. However, community inclusion makes for a fairer, more equitable form of governance, and could contribute to local pride. This could be achieved by combined and local authorities establishing a Culture Forum to bring the public voice into key decision-making processes.²⁷¹

### CIC’s for CID’s

- Our examples reveal the emerging presence of Community Interest Companies in the governance, delivery, and ownership of regeneration schemes. Baltic Creative, 3Space, The Hackney Wick & Fish Island Community Development Trust are all examples of organisations developing a commercial portfolio of assets with solid social and charitable purposes. CID initiators may wish to consider the benefits of forming a CIC for both the development and long-term management of the facilities.

- As explored in Part Two, the nature of CIC grants gives more freedom for private ventures than a local authority can achieve alone, but is also bound by the objectives of its Memorandum of Association which ensures a long-term benefit to the creative and cultural and community. A CIC could therefore enable be a good vehicle for the development of more inclusive governance models and be a suitable vehicle for the delivery of a CID. A CIC can also run CID facilities which would keep resourcing commitments for the sponsoring local authority to a minimum.

- A CIC Memorandum of Association (see underpinning Baltic Creative CIC) could ensure office space and facilities for creative and cultural sectors are safeguarded in perpetuity through an ‘asset lock’ which can mitigate against the often precarious and ‘meanwhile’ uses that can see these sectors priced out of areas as they develop.

3) Deliver sustainable development

Mix your uses

- Almost every example explored in Part Two involves the presence of businesses and organisations in sectors other than the creative and cultural as part of the wider development. This appears to create a more sustainable model, attracting visitors for different reasons to the area, increasing footfall across different times of the day and enabling multiple beneficial partnerships between sectors to flourish (e.g., learning institutions next to business, or housing near hospitality). We therefore contend that CIDs should incorporate clear mixed-use development approaches.

- Furthermore, Our Enterprise Zone examples illustrate that creative and cultural sectors don’t just flourish in micro-clusters with proximity to each other but, dependant on the subsector in question, also alongside other unlikely sectors such as aerospace, life sciences and manufacturing. Instigators could consider establishing a CID adjacent to existing assets such as theatres, educational providers (including HE/FE institutions) or even near arenas, transport hubs or sports centres.

Get flagship champions onboard

- Learning from our Water’s Edge and International House example, it could be helpful to secure commitment from a more established creative and cultural organisation (not-for-profit or private) to establish themselves early in any building based (‘micro’) level development scheme. This could help encourage co-location into the CID by smaller SMEs in similar or supportive subsectors and increase the viability and long-term sustainability of the CID scheme.

Facilitate the sharing of assets

- The iMayflower project, and on a smaller scale, the Baltic Creative CIC, spotlights how the sharing of assets including specialist equipment, workspace and expertise with the creative and cultural sectors can have tangible reciprocal benefits for participating organisations. A CID should be involved in programmes that make these kinds of assets accessible to creative and cultural sector organisations in the CID area. This will help SMEs cut overheads and keep up with emerging technologies and advances in production techniques. Use of the facilities could also be extended to surrounding areas, offering use...
| **Consider a CID’s carbon footprint** | - As with all future new build or regeneration schemes, the energy efficiency of developments under a CID should be considered. However, thought should be given to the creation of sustainable processes throughout the project lifespan, including in the day-to-day management of the CID. For example, pooled procurement practices could be one way to keep the costs, and carbon footprint, of CID businesses down. |

- The creative and cultural sectors could benefit more directly from community wealth building initiatives. We argue that creating a distinguishable identity for a new CID area could establish a gateway for larger anchor institutions to procure services more locally in future.

- To students, higher learning institutions or discounted rates for other SMEs in the locality.
## 4) Incubate the ecosystem

### Utilise the revenue generating tools that already exist

- There are already mutually beneficial relationships flourishing between the creative and cultural sectors and BIDS. If a BID exists in a locality considering a CID, thought should be given as to whether a CID is also necessary, or if creative and cultural sectors might be better supported by being better integrated into BID activities which may achieve similar outcomes. Where a BID already exists but it is felt that a CID is also required, a BID representative should be invited to join the CID governance board to open up opportunities for collaboration on programmes which stand to benefit both the BID and the CID; this could include using the levy to support/establish events, festivals and markets in the area surrounding the CID, and utilising the skills of CID based businesses to deliver, host and/or run them.

- Some BIDs already exempt museums, galleries and other publicly funded cultural institutions in the BID area from paying the levy, recognising their wider importance to their local area. If a BID or BID-style levy applies in the proposed CID area, options should be explored to exempt creative business and cultural organisations or hereditaments in the CID that are home to freelance, self-employed and atypical workers in these sectors from the BID levy.

### Ensure the provision of flexible tenure options

- Greenwich’s ‘Design District’ example highlights the need to adapt in-person workspaces considering the increasingly flexible working arrangements being adopted across creative and cultural subsectors. Local authorities should develop or look to partner with others who have experience in bringing forward innovative programmes like the ‘On/Off’ model implemented by 3Space at International House, hotdesking and pay-by-the-hour options.

### Subsidise not-for-profit activity

- Inspired by the 3Space’s International House, appropriate CID with buildings managed by CICs, could consider a subsidy scheme for renting office of commercial space, which would see a percentage of private rental incomes go to supporting the lease of free charitable, local community and event space.
| **Build institutional capacity** | • Our International House example also demonstrates how the presence of multiple creative and cultural sector and civil society organisations located in one physical location has the potential to generate networking opportunities, subsector specific support and a sense of community—not only beneficial for productivity but also for the mental health and wellbeing of the workforce. As well as events, thought could be given to maximising social capital for individuals working within the CID district, including through shared dining spaces and leisure activities such as those we see in the Design District. |

| **•** Consideration should be given to how subsidy or funding is released to ensure that organisations that benefit come from more marginalised local groups (including black and minoritised ethnic people, woman, disabled and LGBTQIA people). |
Next Steps

In addition to our early recommendations, Culture Commons has begun to think about how specific areas might assess assets that are already available in an area, and how they might deliver against a set of desired outputs related to cultural regeneration. This could help different areas to identify their needs and build a CID that is bespoke to their area. For those areas without one, this process could also support in the development of cultural strategy that is hyper-responsive to local policy priorities. We have also begun to consider an appropriate evaluation framework incorporating key performance indicators that could help capture the outcomes a CID might have in an area, looking beyond economic growth and into some of the wider community benefits touched on in this initial paper.

Since work on this publication commenced, a new UK Government announced a proposed roll-out of ‘Investment Zones’[^272]; often described as “in-land Freeports”[^273], these new place-based initiatives will bring tax incentives associated with business rates, capital allowances and National Insurance Contributions for employers, as well as simplified planning restrictions to areas. A subsequent UK Government has yet to confirm the fate of the Investment Zones. Nonetheless, Culture Commons will now be engaging with colleagues in the Department for Business, Energy and Industrial Strategy (BEIS) and the Department for Levelling Up, Housing and Communities (DLUHC) to better understand how our recommendations, and CIDs more broadly, might dovetail with Investment Zones, should a roll-out proceed.

We’ll continue to engage colleagues associated with the Department for Digital, Culture, Media and Sport’s ‘valuing culture and heritage capital framework’[^274] – particularly where the framework can help us evaluate the impacts of CIDs. We are also in touch with the Creative Industries Council[^275] who we know are exploring place-based models of a similar nature, and we hope this paper will support their work developing the ‘Sector Vision’. We will share this paper with policy colleagues involved in the Local Government Association’s ongoing enquiry into culture and local government.

As mentioned earlier, we would like to work with colleagues in the devolved administrations to better understand how this paper could support activities that consider their specific policy contexts. We also believe there is much to be learnt from examples of international best practice in this policy area that we have not had the capacity to explore in this paper.

We will continue to share and develop this thinking with local, regional and national partners and networks over the coming months.

[^275]: Creative Industries Council, [https://www.thecreativeindustries.co.uk](https://www.thecreativeindustries.co.uk)
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