



1. Introduction

The North East Culture Partnership (NECP) welcomes the opportunity to respond to this Strategy, particularly in the context of the recent Culture White Paper and the statements supporting leadership at regional and local levels, and would argue that not only are the cultural industries vital to place-making and increasing the 'Equality of Access', but are also direct and indirect drivers to growth and socio-economic improvement.

Since 2013 NECP has become the authentic regional voice for arts and heritage in the North East of England. It is directly funded by our 12 Local Authorities, 5 universities, Arts Council England, Historic England with support from the North East Chamber of Commerce and arts and heritage organisations across the North East of England. In 2014/15 we undertook a major consultation across 1000 people in the arts and heritage sectors in the North East to produce the North East of England's regional strategy. The strategy- Case for Culture (C4C) - which the recent DCMS White Paper cited as 'a template for what can be achieved and an ambitious vision for cultural development over the next 15 years', is now being delivered through partnership across the region, with its impact being recognised nationally and, increasingly, internationally.

As well as a Board and advisory groups, NECP continues to have a network of sub-groups - including Universities, Business, Children and Young People, International and Festivals - and links to user and provider groups, such as culture-based What Next? and the regional Historic Environment Forum. As a result, the views of NECP are informed by the wider cultural, heritage and arts community in the region. Additionally, our links with the Local Enterprise Partnerships and the Combined Authorities as well as the regional Chamber of Commerce ensure that our strategy is linked to the wider socio-economic agendas. NECP is provided with its base in the regional Chamber of Commerce HQ, reflecting the importance the business sector sees in the relationship with the cultural sector.

The views presented in this paper, therefore, are well based and founded on this network.

2. Background

By way of background, NECP would emphasise the following points:

- The innovative nature of the partnership developed in the North East – NECP - and the opportunity it provides for delivering regionally agreed priorities, as articulated in the regional cultural strategy: The North East Case for Culture. NECP includes the business sector and universities from across the region and provides best practice in building links between industrial, innovative and cultural agendas as well as contributing to Place Making in its widest sense.
- The record of collaboration and the value the North East has consistently attached to arts and heritage over the past 20 years. Additionally, the role culture has played and continues to play in the socio-economic regeneration of the region. The region has

shown itself willing and able to develop its own vision, based on wide-spread collaboration. The importance placed on culture by the Tees Valley Combined Authority is a case in point, where culture is central to their vision for the area. Equally, the increased importance placed on culture in the Strategic Economic Plan by the North East LEP shows its significance in the economic planning across the region.

- The particular challenges that the North East faces in continuing our commitment to culture and heritage, including rurality, reduction in funding, potential loss of expertise and the need to invest in partnership building to enable new models of collaboration to be developed. We have come a long way on our journey and we are looking to continue.
- In the case of the Industrial Strategy, it is important to stress that the culture and heritage sector can contribute in a number of ways, building on the 10 Pillars in the Industrial Strategy. Culture is an important industry in its own right and, significantly, can make a positive contribution in other ways too. This document will outline how this is the case.
- ***To achieve this, we want to ensure that the North East has influence relating to national policy, including legislation and funding. Our agreed regional cultural strategy can inform national policy-making and strategy, but to succeed, we require co-ordination and support at the highest level of strategy development so we can play our part regionally and within the cultural sector.***
- ***Specifically, NECP sees the need to ensure that in the conversations and dialogue that takes place following the production of the Industrial Strategy, the cultural and heritage sectors are not excluded from the process and are seen as significant contributors to the UK's industrial strength – the definition and understanding of “industry” needs to be inclusive and not constrained.***

It is against this background that we make our comments on the issues raised in the Industrial Strategy. We welcome the document and its aspirations and also welcome the opportunity to comment on it.

3. Discussion

- The critical issue is that the culture and heritage industry is seen as both a bona fide business sector and it is not excluded either consciously or through the use of language or habit. It represents an integral part of any business strategy and can help to build a strong socio-economic foundation as well as providing support and innovation in other business sectors.
- The Industrial Strategy identifies 10 Pillars – the following assessment looks at how the culture and heritage sector contributes to a number of these and how, in the North East of England, the culture and heritage sector is already helping to build this stronger and fairer economy.

The direct impact of culture

- Research commissioned by the NECP and collated by TBR over the past years shows by how much the culture sector contributes to the regional, national and international economy. For example, in 2015, 46,300 people worked in 7,115 organisations in the creative and cultural industries in the North East; 5.6% of total employment and an increase of 29.4% from 2011. This represented a net worth of £3billion in Gross Value Added (GVA) to the 2014 North East Economy, 6.3% of total GVA. www.case4culture.org.uk
- The heritage economy alone was worth £0.5m GVA in 2013 and between 2009 and 2014 the number of organisations operating in this sector increased by 6.9% from 2011 – and it employed 9,300 people in 2014; an increase of 5.7% since 2011.

- Businesses in the arts and heritage sector had an average of 6 employees per organisation; 7.7% work independently – an important contribution to SME and business start-ups.
- In the 2014/15 academic year there were 36,525 students studying creative and heritage courses in the North East.
- Between 2005/6 and 2014/15, the Heritage Lottery Fund invested over £196 million in heritage projects across the North East.
- The visitor and tourism impact is also significant. In 2015 there were 3.8m overnight trips by British residents to the North East. These generated £710m in revenue for the region. In 2015, heritage tourism alone generated £484m of domestic and international spend. The total contribution of the Newcastle Gateshead Cultural Venues network alone to the region's economy was estimated at £87.5M in their annual economic impact Assessment 2014/15.
- Cultural organisations in the North East of England are working across the globe - in 61 countries; 31% of the countries in the world. The current DTI trade mission to India, for example, could benefit from the inclusion of cultural businesses and ideas and this is a model we are pursuing with the local LEPs in the region.
- We have some very large commercial operators in the region, including Beamish Museum, Sage Gateshead, Hadrian's Wall World Heritage Site, MIMA and Alnwick Gardens and Castle. Additionally, the private-led investment in Auckland Castle of around £100m is an inspiration for the future.
- Increasing the economic impact of culture is one of the 5 core aspirations in Case for Culture. (C4C) It also identifies investment as a critical component for the delivery of the regional vision. We have a priority to increase investment from £100 million to £300million in the next 15 years and, through C4C, identify where this would be made to help arts and heritage bring further benefits to the region and its communities. Levels of investment and funding remain buoyant in some sectors and in some areas, building on a record of innovative and creative partnership, but more remains to be done.
- ***In order for the cultural sector to play its part in the aspirations of the Industrial Strategy, the relevant infrastructure need to be in place. In the north east, this is partly reliant on public sector partners, particularly local authorities and we look to the DCMS to work with other departments in championing this cultural infrastructure.***
- Particularly vulnerable have been the museums and libraries, (beyond the larger organisations) where funding is usually from a single local authority. An additional problem is the loss of specialist skills in individual organisations. A similar problem is faced by smaller cultural organisations in general, where the squeeze on income, the lack of back-up of local expertise and the broader requirement to fit in to national funding frameworks means that they are placed under increased pressure and do not have local flexibility to access resources to help them develop longer-term commercial strategies.
- NECP and others seek to develop partnerships to alleviate this, but support and business advice should clearly include the cultural and heritage industries and seek to help small organisations where these can take commercial opportunities to grow.

Culture adding value.

- As a sector, we can offer a cultural solution to engaging people in the poorest communities, as well as creative programmes that develop skills and inspire interest in subjects such as science, technology, engineering and maths. The sector in the North East has a track record of reaching diverse audiences and working in places facing multiple layers of deprivation. The three North East Arts Council England Creative People and Places projects are operating in South East Northumberland,

Sunderland/South Tyneside, and East Durham; and museums such as Tyne and Wear Archives and Museums and Beamish are reaching families on low incomes (Beamish – 49% C2DE in 2015/16). We also provide a range of volunteering opportunities, helping to create progression routes through to paid employment. We help with the development of cultural and creative programmes which inspire children and young people's interest in careers in local LEP "smart specialization" areas such as engineering, subsea and life sciences.

- Our Co-Chairman John Mowbray recently launched a region wide £10m literacy initiative with the Education Endowment Foundation which is aimed at addressing the regions low literacy levels, and this problem was cited by the business sector as a key barrier to employment in the region in a recent report. NECP will work with business sector partners to promote the North East Literacy strategy <https://educationendowmentfoundation.org.uk/news/10m-campaign-to-help-10000-disadvantaged-primary-pupils-in-the-north-east-1/>
- In terms of innovation, there are examples of creative industries initiatives that are flourishing such as Breeze Creatives and Campus North, demonstrating appetite and potential for creative solutions to innovation. The recently developed Creative Fuse programme across the region's 5 universities builds on both research excellence and innovative solutions to build and retain talent. It is also an exemplar in partnership solutions to collective issues and need – this partnership lies at the heart of much of the activity in the region.
- The sector has an important role to play in Place Making; regenerating communities and creating vibrant, attractive and distinctive places that people want to live in and firms want to re-locate to. Iconic cultural assets have become "trademarks" that are used to sell the North East; sites such as the Angel of the North, Durham Cathedral and the Middlesbrough Transporter Bridge help define place.
- The cultural sector can help inward investment and provide part of the image of what the North East is and what it has to offer. NELEP and business colleagues have highlighted the need for a better brand identity and a new narrative – helping to increase the region's visibility, and in turn, secure inward investment; and attract and retain talent and skills. The Tees Valley Combined Authority was keen to include culture in its devolution deal, reflecting its awareness that arts and heritage can contribute to the wider socio-economic regeneration of the area.
- Following the vote for Brexit, the North East aims to have an even greater profile and visibility in international markets. As has already been shown, the cultural sector has extensive international links and is keen to help. With coordination being managed by the NECP amongst others in partnership with the region's two LEPS, there is a real opportunity for the sector to proactively contribute to efforts to increase international trade in the North East, and develop new markets.
- Innovation is key to sound business and industrial success. The discussion above highlights the entrepreneurial nature of the cultural sector, and as a sector, one of the resources culture can help business develop is creativity. The sector has a pool of cultural professionals with creative thinking and leadership skills. There is an opportunity for the sector to add practical value in helping businesses to grow, developing creativity and innovation skills within companies.

Strategic Change

- Recent reports, including the regional SEPs and, nationally, Sir Peter Bazalgette's independent review into how the creative industries can help underpin our future prosperity, identify the dramatic changes that will happen across our economy in the near future. Chief amongst these is the role of technology and automation.
- The role of arts and heritage industries in providing jobs and added value that is less open to automation has been well documented and is also the subject of other

contributions to this Industrial Strategy. The importance of creativity and innovation has been discussed in this response, but for the longer term the capacity of the cultural industries to provide routes to this creativity will be increasingly important.

- In seeking to improve both living standards and economic growth, the Industrial Strategy is greatly welcomed. The long term capacity of arts and heritage to contribute to both will increase and a more joined-up response, reaching across departments, sectors and regions is needed.

4. Recommendations

In summary therefore, NECP would recommend the following

- Celebrate the record of partnership by acknowledging the innovative model of NECP and investing in cultural partnerships developed in the region; we are delighted to have been cited in the recent Cultural White Paper, but we now seek to be given the recognition of the importance economically and commercially of the work of the cultural sector.
- Enable NECP to develop greater influence on decision-making to enable regionally set priorities based on local expertise to help steer lottery and other funding. In the NE this expertise draws on all sectors and organisations including private sector, universities and colleges, cultural organisations and the public sector. Our integration with the industrial and economic strategies is positive, but needs national support to help sustain it. Clear messages from the DTI will be important in this.
- Work with the NECP to help ensure that the cultural and heritage industries are embedded in to the national framework and Industrial Strategy. This will reflect the important contribution that culture is already making and help to continue with this growth in a co-ordinated sustained way.
- NECP welcomes the strong commitment made to culture within the Tees Valley LEP and Combined Authority and look forward to LEPs across the North recognising the value of culture and creative industries within the knowledge economy. Following the success of Newcastle Gateshead in winning the right to host the Great Exhibition of the North in 2018, NECP hope that this will showcase the creative potential of cultural entrepreneurs and cultural organisations working with industry through the GEN Legacy Funding.
<https://www.youtube.com/watch?v=4L0YbWsA7zQ&feature=youtu.be>
- Work with regional organisations such as NECP to develop local responses to needs and opportunity, such as talent progression, bringing people back to economic activity or building place as have been outlined here.
- Recognise the need for creativity and innovation in the workforce of the future and the long-term role that arts and heritage can play in this from its roots in communities, education and career development. A balanced economy will increasingly rely on the skills and vision developed through engagement with culture.

NECP would welcome the opportunity to be further engaged with the development of this strategy and would welcome the strategy team and Ministers to the region to both discuss the issues first hand and see the partnerships in action.