

Local Economy Scrutiny Panel – 4 February 2010

Culture and Economy Informal Scrutiny Group: Final Report

Report of the Head of Economic and Cultural Services

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Purpose of the Report

This report summarises the discussions, conclusions and recommendations of the Informal Scrutiny Group established by this Panel to investigate the significance of culture to the local economy.

It asks for Members to note the report and to consider referring the recommendations to Cabinet.

Links to the Winchester District Community Strategy

Economic Prosperity is one of the key outcomes of the Winchester District Sustainable Community Strategy. The first priority under this outcome is that
“Winchester District exploits its reputation as a cultural stronghold, using this as a means to stimulate a modern and creative approach to business.”

This Informal Scrutiny Group focussed on the link between Winchester’s positioning as a cultural and creative centre in the region and its success in fostering a diverse and healthy business base.

Executive Summary

Between May and November 2009, five Members of the Local Economy Scrutiny Panel were asked to form an Informal Scrutiny Group to examine the contribution made by culture to the local economy.

The group met six times and heard from a range of experts in the sector. Although discussions were wide ranging, Members returned regularly to the issue of identifying a sustainable source of funding for culture. In particular, they felt that a new City Council policy was needed to secure developer contributions for a much broader range of uses than the current Open Space Fund allows.

Overall, Members were impressed by the contribution made by culture not only to the economy but also to community life and the environment, the other two key priorities for the Sustainable Community Strategy.

Members of the Group have recommended a further report be brought back on applying unused Section 106 money to different purposes to that for which it was collected (Recommendation (ii)). Additional reports would be required if Members of the Scrutiny Panel agreed to recommend to Cabinet that the policy on S106 agreements be rewritten (Recommendation (iii)) and a dedicated officer be entrusted with all negotiations with developers for the use of S106 money (Recommendation (iii)).

Recommendation

That the Scrutiny Panel notes the report of the Informal Scrutiny Group attached at Appendix 1, and considers putting the recommendations at paragraph 4 before Cabinet.

Background Documents

Minutes of the six Informal Scrutiny Group meetings, available from the Economic and Cultural Services Division

[Winchester District arts strategy for 2006 – 2009](#)

Appendices

Appendix 1: Final Report of the Culture and Economy Informal Scrutiny Group

Appendix 2: Summary of Meetings

Appendix 3: Consultants' Brief for Cultural Facilities Research

Appendix 1:
Final Report of the Culture and Economy Informal Scrutiny Group

1 Introduction

1.1 The Culture and Economy Informal Scrutiny Group (ISG) was established at a meeting of the Local Economy Scrutiny Panel on 22 July 2009. Members appointed to the Group were Cllrs Anthony, Bell, Cook, Pearce, Sanders and Tait, with Cllr Stallard in attendance as the relevant Portfolio Holder.

1.2 The minutes of the meeting of the Local Economy Scrutiny Panel for 18 November 2008 state that the purpose of this ISG was to:

“to study the contribution made by cultural organisations in the District to the economy.”

1.3 At its first meeting, the Group approved the proposal of a series of four meetings which would broadly explore:

- evidence from external experts on the value of culture in general to the economy;
- evidence from individual cultural organisations in the District demonstrating how their activities supported the outcomes of the District’s Sustainable Community Strategy, and
- ways in which the Council could – assuming resources were available - provide additional support for cultural organisations in the District.

1.4 However, Members decided at an early stage to increase the number of meetings to six to provide more time for investigation.

2 Summary of Findings

2.1 Throughout the series of meetings, Members were impressed by the importance of the cultural sector within the District, both in terms of its economic contribution and also its capacity to enhance the quality of life of local residents in a number of other ways.

2.2 Members heard from a range of expert witnesses working in the cultural sector and were presented with a series of case studies including a firm of architects, the Theatre Royal Winchester and Hampshire County Council’s *Hog the Limelight* rural touring scheme. Although it was not possible to quantify the total economic impact of the sector on the District, speakers were asked to provide some indicators of the impact of their own organisations. These ranged from the amount of external investment secured to the total spend on projects won by the organisation. In addition,

they explained how their activities contributed to other aspects of life in the District.

- 2.3 Discussions ranged from the practical to the strategic, and are fully recorded in the minutes of the ISG. Key findings were as follows:
- a) it would be possible to increase the economic impact of the sector by following Eastleigh's example model and adopting a 'unique selling point' or specialism for Winchester. Eastleigh has chosen to focus on dance. Winchester has the potential to focus more on street theatre, with the national reputation of Hat Fair and the University of Winchester's new degree course in street performance. An appropriate specialism would draw external investment, for example from the Arts Council;
 - b) additional creative workspace was needed for the growing population of artists graduating from the two universities. Members visited the Old Laundry in Hyde shortly before the ten day programme of arts events held there last Autumn, as well as the Colour Factory's new 'Lightbox' education centre. They were impressed by the innovative and flexible use of space to accommodate a wide range of business and community needs;
 - c) a 'joined up' cultural strategy for the Winchester is required to capitalise on the creative energy of the sector in taking the District forward. This must be shared by both City and County Councils, based on good evidence and guided by a clear vision. It will support the development of the sector; reinforce Winchester's positioning as a cultural centre in the region, and help to secure additional investment from both developers and funding bodies;
 - d) the cultural sector supports all three strands of the Regional Economic Strategy, but it covers a broad spectrum of activity. In Eastleigh, culture is identified as a means to bring about community cohesion rather than economic prosperity. It is important not to judge the sector solely in terms of its economic contribution: most practitioners are also making a significant contribution to health and wellbeing; community safety; quality of life; environmental and place shaping agendas. Moreover, cultural facilities from libraries to parks are valued as community assets in their own right, even by those who choose not to use them;
 - e) impacts of cultural activity on the local economy range from early skills development for young people (eg through workshops and clubs) to enhancing the tourism 'offer' of the District. The organisations provide work experience, mentoring and employment opportunities for

emerging practitioners; buy from local suppliers, and stimulate additional spend (eg a theatre trip followed by a meal at a restaurant). Successful creative businesses reinforce Winchester's reputation as a sympathetic location for enterprise, and also support the housing market;

- f) although the cultural sector is strong in the Winchester District, it does not always seem to be very visible to the public. Practitioners believe that more promotion of events and activities is required, with suggestions ranging from a city centre information 'pod' to web-based social marketing;
- g) most practitioners feel that living in Winchester is intrinsic to their work, and reflect it directly or indirectly in what they do. Consequently, they are generally very keen to 'give something back' to the District. This goodwill can and should be harnessed to positive effect;
- h) the University of Winchester has an important role to play, both in strategic terms and in practical terms (eg its partnership working with the City Council to run the successful Café Culture network);
- i) Winchester Guildhall could be an important venue for cultural events, and attract a larger and wider range of customers than at present. The current pricing policy was felt to be restricting this growth and needed to be reviewed;
- j) Members were interested in suggestions that empty shops could be used by artists as temporary workspaces and studios, but acknowledged that the administration of such a scheme could not be accommodated given current resources and priorities.

3 Funding for Culture

- 3.1 The Group was clear from the outset that it did not have a remit to propose additional City Council funding for cultural organisations in the District. However, Members did identify at an early stage that the impact of the work of these organisations could generally be enhanced by some additional financial support. Some of the Council's arts organisations routinely worked outside rather than in the District because funding opportunities were greater.
- 3.2 In particular, Members were impressed by the scale of contributions secured from commercial developers in Eastleigh District to pay for cultural infrastructure and project work. This was achieved through a combination of negotiations based on both Council policy and corporate

responsibility, and relied on the empowerment of officers to begin negotiations at an early stage in development work.

- 3.3 This discussion led to a series of presentations considering Winchester's own policy on developer contributions (via Section 106 agreements). It became clear that the City Council's current policy, although ahead of its time when first introduced, was limiting opportunities to claim contributions in support of cultural activity. Whilst Members understood that claims on developers were increasing, for highways, schools, sewage and other 'essentials', they felt that culture should be given a higher priority than at present. They also queried the scale of contributions already collected for play and sport which they felt could be more usefully channelled into a broader range of cultural activity.
- 3.4 Members felt that the City Council's policy needed an urgent review. Fortunately, the discussions of the ISG coincided with the launch of a new Culture and Sport Planning Toolkit by the combined national cultural agencies. The PUSH Quality Places Delivery Manager has, during the life of the ISG, secured funding from Hampshire County Council and the South East England Development Agency to commission a comprehensive, county-wide comprehensive evidence base of the kind required to underpin any new policy on developer contributions. Work has begun on this project during January 2010, and it will complement other planned work in the divisional business plan to produce a new Cultural Strategy for the District. A copy of the consultants' brief is attached at Appendix 3.
- 3.5 In the meantime, Members are keen to address the issue of the current balance of developer contributions in the Council's Open Space Fund. To this end, they have invited the Corporate Director (Operations) to attend this evening's meeting of the Local Economy Scrutiny Panel to complete the discussions which have been ongoing during the life of the ISG.

4 Recommendations to the Local Economy Scrutiny Panel

- 4.1 Members asked that the following recommendations be included in the ISG's final report to the Local Economy Scrutiny Panel:
- i) That a more flexible pricing strategy be employed at Winchester Guildhall to stimulate cultural usage;
 - ii) That officers bring back a further report on how previously contributed but unused S106 money could be applied to cultural projects and activities, although not in the original agreement, having regard to the fact that other local authorities have achieved this arrangement;

- iii) That the Council's policy for S106 agreements be rewritten to allow for money to be contributed directly to cultural projects and activities that are designed to enhance the quality of life in the District and thereby benefit the economy;
- iv) That an appropriately qualified officer, particularly with relevant commercial sector experience, be given total responsibility by the Council for negotiating terms with developers for the use of S106 money that they are required to contribute under current and future policy;
- v) That the economic value of cultural events and activities within the District be recognised with appropriate financial support, as and when such funding can be identified.

Appendix 2: Summary of Meetings

Meeting 1 – Monday 18 May 2009

Expert witness	Cheryl Butler, Head of Culture, Eastleigh Borough Council
Expert witness	Prof Anthony Dean, Dean of Faculty of Arts, University of Winchester, and Chair of Winchester District Cultural Consortium
Expert witness	Charles Freeman, PUSH Quality Places Delivery Manager

Meeting 2 – Wednesday 29 July 2009

Case study	Theatre Royal Winchester
Case study	Tower Arts
Expert witness	Sophia Merchandani, consultant (Culture and Sport Planning Toolkit)

Meeting 3 – Wednesday 12 August 2009

Case study	Design Engine
Case study	Platform 4 Performance Company
Developer Contributions	Steve Opacic, Head of Strategic Planning John Hearn, Urban Design and Major Projects Officer

Meeting 4 - Monday 5 October 2009

Section 106 Agreements	Howard Bone, Head of Legal Services
Case study	Colour Factory
Site visit	The Old Laundry, Hyde

Meeting 5 - Monday 26 October 2009

Case study	Alice Kettle, textile artist
Case study	Hog the Limelight rural communities touring programme
Case study	Hat Fair

Meeting 6 - Monday 30 November 2009

Support for Creative Industries	Kevin Warren, Head of Estates
Arts Policy and Context	Marilyn Michalowicz, Arts Development Officer

Appendix 3: Consultants' Brief for Cultural Facilities Research

December 2009

1. Reasons for the study

An analysis of progress in spatial planning and the delivery of cultural and sporting infrastructure in the PUSH area has recently been carried out by the PUSH Quality Places Delivery Panel and the Living Places Partnership (PUSH, 2009).

It recommends that a systematic assessment of cultural facility needs for PUSH should be carried out in the context of:

- The importance of culture and the creative industries as growth sectors in the economy of the sub-region as it emerges from recession;
- The need to feed into systematic processes of infrastructure planning and delivery in the context of Local Development Framework (LDF) preparation, as recommended by CLG in PPS 12 Local Spatial Planning and the Local Government Association (PAS, 2009); and
- The need to cover a fuller range of cultural infrastructure relevant to communities in policies and proposals in LDFs.

Within their Local Development Frameworks local authorities will need to have a delivery strategy, designed to implement the policies in the Plan, and which includes evidence, inter alia, of social and community needs.

Public libraries, archives, museums, arts and community media facilities fall into this category. Service providers, including those responsible for culture, will therefore be challenged to list their requirements in the context of spatial plans for their areas.

2. Aims of the study

Cultural facilities audits and needs assessments are an essential part of the evidence base required to support proposals to develop the cultural infrastructure of the PUSH area. At present, however, no agreed methodology exists on how to define, in a defensible way, what the future requirements for cultural facilities in an area might be.

PUSH Quality Places Delivery Panel and Hampshire County Council Culture Communities and Rural Affairs Directorate have therefore commissioned work from a team of specialists to address this gap through developing a standard process, using readily available data, and testing it in Havant and in the PUSH area. The work will be undertaken by Audiences South, Prof. Martin Elson (Chartered Town Planner) and Sophia Mirchandani (Cultural Consulting Network).

3. Research methodology

The process adopted for this work includes four key steps:

1. Establish a basic typology of cultural facilities in order to categorise current provision;
2. Map the location and establish the use and catchment areas of current facilities;
3. Conduct an audit to evaluate the quality of current provision; assess and set local standards; assess capacity of facilities and identify any short fall or deficiencies in facility provision;
4. Identify potential demand and plan for the future by assessing impact of future growth and its location in the PUSH area.

The result of this work should give local authorities the information needed to develop more detailed options and plans for future facilities.

4. Research process

Step One: Identify relevant cultural facilities

A basic typology for cultural facilities has already been developed by MLA and ACE as part of their new publications *Libraries and Archives and New Development: A standard charge approach*, and *Arts and Museums and New Development: A standard charge approach*, see <http://www.living-places.org.uk/culture-and-sport-planning-toolkit/tools-and-guidance/museums-libraries-and-archives-council/>.

Facilities within PUSH will therefore be categorised as one or more of the following types: Public library; Local authority archive; Gallery; Multi-use art venue and/or theatre; Production, rehearsal and education space for arts; Museum; Community media facility.

Step Two: Establish location, use patterns and catchments of existing facilities

In March 2008 Audiences South mapped cultural facilities across PUSH, see http://www.amhonline.org.uk/pub_downloads/pub_dlindex.html.

In November 2009, they were commissioned to analyse and map the catchment areas of all the cultural facilities in Hampshire, and to assess these against the different socio economic profiles across a Local Authority area, as well as population numbers. This work will include the development of a typology (based on catchment areas) for the different cultural facility categories listed above. It seeks to identify generic catchment areas for each facility category, based on analysing the average geographical customer distribution at all mappable arts organisations in Hampshire. In this way core and wider catchments (based on % percentage of customers) will be designated for each facility. The first draft of work will be completed by January 2010.

The results of this work should give us an emerging hierarchy of provision based on the main 'effective' catchment areas of different facilities. It is anticipated that a hierarchy will emerge which relates to local, regional and national usage

patterns and catchments enabling local authorities to identify those facilities of most local significance and those which would require cross-boundary planning. For the purposes of this study, and the overall ambition to ensure accessible and quality cultural provision for local communities, the focus will be on those facilities which provide opportunities for public engagement through local community programmes and informal and formal learning for individuals and organisations, such as schools and colleges.

Step Three: Establish quality, standards, capacity and shortfalls in facility provision

In order to assess the state of current provision, and current standards, a basic audit of cultural facilities will be conducted across the PUSH area. This self-assessment survey aims to identify whether the facilities are fit for purpose and have the capacity or potential to meet the future needs of residents and visitors to the area.

The survey will be conducted with relevant departments from Hampshire County Council to assess facilities directly managed and/or supported by the council including libraries, archives, museums and arts centres. It will also be conducted with Local Authority Arts Officers from PUSH to assess the facilities managed and/or supported by them, including museums, arts centres and community media facilities.

Although cultural facilities provided by the commercial, charitable and voluntary sectors will be included in the overall review of cultural provision and catchment areas, they will not be included in the survey work as they are unlikely to be the focus of LA development and support in the future. If they are identified as a potential facility to fulfil a future community cultural need, they will be surveyed to assess their current physical state, quality of provision and capacity.

The results of the audit will be used to:

- Report on the physical quality of buildings, accessibility and how fit for purpose they are in relation to their core function e.g. enabling the production of specific art forms; educational offer; access to information and collections etc;
- Report on the quality of service and offer through analysis of user satisfaction information and existing performance indicators;
- Assess the capacity of facilities to meet future demand – for general services or programmes, and for community and learning programmes;
- Apply and set local standards for provision.

Step Four: Identify potential demand and plan for the future

Once the mapping and audit work is complete, the findings will be assessed against the areas of growth to forecast what impact the changes in population and their location will have on existing centres of cultural provision and their

catchments. This will lead to the identification of potential capacity issues and shortfalls in provision qualitatively and quantitatively.

Options and priorities for development will follow from this work, taking into consideration wider infrastructure planning issues, as well as capital and revenue sources, potential partners, local authority priorities and community aspirations.

ENDS

For further information please contact Charles Freeman Quality Places Delivery Manager, Partnership For Urban South Hampshire on 07970 822380 or charlesgjfreeman@msn.com or James Gough, Director, Audiences South on 0798 085 3910 or james.gough@hants.gov.uk.

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