A REVIEW OF CREATIVE WORKSPACE PROVISION IN URBAN SOUTH HAMPSHIRE AND HAMPSHIRE

EXECUTIVE SUMMARY

Commissioned by
Quality Place Delivery Panel, Partnership for Urban South Hampshire
Creative Industries Theme Group, Hampshire Economic Partnership

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October 2010

Introduction

This report responds to the request for better information about workspace – in Urban South Hampshire and across Hampshire as a whole – which is currently in place or planned and which is targeted particularly at smaller creative businesses and cultural practitioners.

It identifies the place of such workspace in the wider context of sustaining cultural and creative business, which itself is an important part of the knowledge and innovation economy which is such a high priority in PUSH and across the county.

It sets out a number of interventions which the Partnership for Urban South Hampshire (PUSH), Hampshire Economic Partnership (HEP), their partners in the private and not for profit and HE sector and others might take forward.

1. The creative and cultural economy in the subregion

PUSH recently commissioned research from the Centre for Urban and Regional Studies[1] on the substance of and growth prospects for the creative and cultural sector in urban south Hampshire. Their work identified around 4,635 creative firms (28,405 jobs) in the PUSH area and 7,409 creative firms (41,509 jobs) in the ten PUSH districts in 2008.

This means that PUSH has a creative and cultural sector which is about the same size as that of Birmingham, and also Brighton and Hove but with little of its visibility and civic acknowledgement.

Significant numbers of people in parts of the creative and cultural economy (visual artists, designer-makers, performers and others) are self employed, with many also experiencing low levels of net income but make an invaluable (though unfortunately undercounted and often undervalued) contribution to local prosperity, sense of place, local reputation and the quality of life in the wider community

Key parts of the creative and cultural sectors make a substantial contribution to the wider knowledge based economy, to innovation, technology with a close and mutually beneficial relationship with a healthy HEI sector. The sector also contributes to the wider economy and to quality of place.

2. Universities, graduates and retention.

Universities make a wide range of contributions to the towns, cities and regions in which they are established. They are major investors, employers and place makers. They attract creative and related talent into their cities and regions. One of the particular contributions made by the

[1] References to data and sources are in the footnotes to the main report

HEI sector in South Hampshire is its continuous and substantial development of young creative talent.

The PUSH HEIs – Portsmouth Solent, Southampton, Winchester – and their immediate neighbours in Bournemouth and Chichester produce around 7,000 "creative" graduates each year. Southampton Solent is the fourth largest generator of creative subject graduates in the UK (3,600 graduates in 2007).

It is not clear what the work destinations are for local graduates. The lack of positive policy support for and wider civic acknowledgement of the creative sector is in part why graduates may be leaving the area. Given that Southampton Solent is the fourth largest producer of creative subject area graduates in the country, something needs to be done.

There are few *sector focussed* workspace incentives to encourage business start ups by the creative talent graduating from PUSH HEIs year on year. With the exception of the Solent's proposed shared teaching and workspace project with **a space** all properties run by HEIs are generic – they may pick up some creative businesses but nothing is targeted at this sector.

3. Workspace and the cultural and creative economy

The role of the creative sector and its workspace requirements is closely implicated in the future prosperity of the area, and also in the current review of PUSH's Economic Development Strategy.

Encouraging this sector is one effective way to encourage city improvement. Some key city and urban areas in PUSH are underperforming. The creative and cultural sector is largely an urban phenomenon and makes significant contributions to the local and sub regional economy and its sense of place. It can contribute prominently to the economic strategy, in planning the LEPs and in inward investment strategies.

Different sectors have ***different needs*** and different parts of the sector require ***different types of workspace***. Across the span of creative practice in the PUSH area, there are a number of types of workspace, which companies will need for their own or for shared use.

- Office spaces including production offices, flexible office spaces, high spec and small office units of various specifications
- Studio spaces for visual artists and designer makers and craftspeople
- Rehearsal, making and related facilities associated with performing arts, music and film and video industries
- Studio and office spaces for the design and architecture sector
- Retail outlets and workshops for the arts and antique sector, designers makers and others

Creative and cultural businesses also look for a range of shared facilities including:

- Showcases: venues for events, shows, gatherings, conferences etc

- Spaces for rehearsal, fabrication, large-scale technical projects etc
- Locations etc for performance, film, rehearsal and so on.

Needs change, requiring different types of workspace throughout the life of a business, allowing for unpredictable growth, including expansion for larger projects, extensive use of part-timers and freelancers etc. Work practice and company structure often values collaboration, working in small teams and project-based relationships.

This is a ***digitally expert and demanding*** business community, sharing ideas, contacts and opportunities. Desire for ***new and more flexible workspace*** includes more flexible terms of occupancy, allowing for "community" and connectivity within and between types of activity and prioritising environmental and energy considerations as more pressing than DDA issues (candidly, they affect the bottom line more)

Workspace ***support for new graduate businesses*** and cultural practice includes low cost and supported workspace, co-location of business units with workshop based teaching and relationships between teaching and commercial experience and practice

An increase in ***redundant and empty spaces*** is likely as office based and manufacturing workforces contract, and as 1960s buildings become less adaptable and marketable and as working patterns change. Many of these buildings will not necessarily meet creative market requirements, and may have (eg) DDA, health and safety and other issues attached.

Often, elsewhere, redundant buildings have proved fertile ground for artists and practitioner led activity – artist studio providers such as ACME and SPACE have matured over 40 years from informal use to becoming highly expert and respected development agencies. Locally, **a space** and others are following the same trajectory.

There are a relatively small number of ***workspace providers*** who are dedicated to offering workspace to creative businesses and cultural providers.

- Artist led/unfunded studio spaces
- Local authority provision
- HEI supported initiatives

Almost all of the thousands of creative and cultural companies in Urban South Hampshire and the county have found ***workspace in the commercial market*** through what, in terms of this research, are a wide range of secondary providers including:

- business and enterprise centres
- developers and commercial landlords

In urban South Hampshire (as elsewhere in the UK) micro businesses ***clusters***, for example in Southsea, or around the university quarter in Portsmouth, show evidence of sharing streets and neighbourhoods rather than buildings, trading with local networks and supply chains of specialist suppliers, printers and congregating in social spaces, cultural facilities, cafes and bars as places where work and recreation happens

Forecasting ***demand*** depends on a number of factors. On the basis of what's currently known about creative jobs in the PUSH area, a growth model that suggests that c130,000 square feet of additional workspace will be required each year.[2]

At this stage in developing a demand model, we might expect the additional graduates retained in the area to be part of the 2% growth in jobs, and not require an additional workspace provision to be factored in.

Affordability is an issue for every business and practice, as it is, on the supply side, for landlords and other workspace providers. The issue of affordability is dealt with at the moment largely by the market, alongside provision where a small amount of public investment has been deployed:
- Most creative and cultural businesses in non domestic workspace operate in the commercial market
- New commercial oriented businesses benefit from mechanism available through business centres and in other ways which enable rent free periods, discounts on workspace costs etc
- Some enterprise centres and other providers add layers of additional support and access to resources as part of the value they add.
- Relatively small numbers of artists, makers and performers have been able to create practice specific workspaces and studios, often in buildings with limited long term security
- Many thousands of freelance, part time and sole cultural and creative practitioners work from home outside the market.

4. An assessment of current creative and cultural workspace provision in South Hampshire

There are fewer ***specialist creative industries workspace providers*** than might be expected. Where they exist they tend to be bespoke and small scale. Our survey has identified around 20 specialist providers providing around 100 specialist workspaces.

Clusters of visual artists are evident in Southampton, Portsmouth and Winchester. Demand for **artists' workspace** is reported by existing studio bases and through evidence collected by CIBAS, through feedback at surgeries and through a recent member survey. Artists consistently report a lack of studio space across the area. No overall demand figure is known, as many of the providers do not maintain formal waiting lists.

A significant informal cluster of **architectural practice** is reported in Winchester with estimates of 30 or more practices trading in and around the city. Proximity to markets and access to professional development and

[2] This is a model which requires further research and refinement. However, it gives PUSH and HEP an indication of the size of the potential workspace market. Annual growth from 2010 has been calculated at 2% for all creative and cultural subsectors.

networking are identified as two reasons for architectural practices locating here.

Beyond this little clustering of sector based business premises is reported although numbers of **designers and advertising companies** are evident through business searches in Southampton and Portsmouth.

There is some anecdotal evidence that there is a growing cluster of **games and media companies** in and around the university quarter in Portsmouth.

There has been some recent expansion in ***specialist work space***. A number of premises have emerged within the last four years often with direct support from Local Authorities. The Partnership in Portsmouth have provided temporary accommodation for artists through a recent *Pop Up* shop initiative.

In the ***commercial sector providers*** of serviced office space to SME businesses such as Basepoint and Portsmouth Enterprise Centres, generally report low levels of take up by Creative Industries. One exception is Hampshire Workspace in Winchester where up to 40% of businesses are identified as CCI sector business.

Venues, arts centres and galleries, such as, Aspex, Artsway, The Point, Theatre Royal Winchester make important contributions to the ***workspace ecology*** and consultation has emphasised the importance of in the support they offer to creative practice. They provide a focus for regular knowledge exchange, information, access to training and networking activity. Some hubs such as Artsway, the Point also offer managed workspace directly.

Hampshire CC has redeveloped its ***libraries*** into new kinds of civic spaces, offering informal hot desking, meeting space and Wi-Fi connection, backed up by the knowledge and information service of the library. These have potential to become hubs where creative practitioners can carry out some of their business informally. This type of resource is an important component in a healthy ecology supporting a flexible and mobile workforce.

The ***universities*** are beginning to develop workspace targeted specifically at creative graduates such as Southampton Solent's proposed High Street teaching and studio project with **a space,a nd two projects in Portsmouth. R**here are few but important (CIBAS) creative sector focussed incentives to encourage business start ups by the creative talent graduating from PUSH HEIs year on year.

5. Recommendations for intervention

We propose three ***interventions*** to kick start actions that will address some gaps and develop opportunities identified through this research.

The interventions we propose below include both skill and space based propositions and are designed to enable the following outcomes.

- Encourage more and different creative and cultural workspace across the sub-region
- Increase sustainability, visibility and profile of creative and cultural sectors in Urban South Hampshire
- Improve graduate retention

Support for new workspace and support facilities

There is particular local interest in setting up a digital media centre. There also appear to be commercial opportunities with a growing market for hot desk workspace for start-ups and micro-businesses complemented by a strategic approach to the Wi-Fi enabling of key urban areas and business districts.

PUSH and its member councils can help identify potential sites and development opportunities for sector specific workspace development. Potential developers and operators can undertake further market research and feasibility testing to secure better knowledge of latent and existing demand, business model, operating and related characteristics.

Local authorities can review longer term opportunities for the insertion of creative and cultural targeted workspace in site disposals, planning briefs and development frameworks.

Encourage specialist commercial developers and providers to invest in the PUSH area.

PUSH and HEP can collaborate on a targeted campaign to inform and persuade specialist developers of the potential of the area supported by an inward investment document which sets out the strengths and opportunities offered by the sub region and its creative and cultural sector. This would be supported by PUSH and its member councils identifying potential sites and development opportunities for sector specific workspace development. PUSH could act as champion and catalyst for a creative and cultural business led partnership for the creative sector, ensuring that the creative and cultural narrative for Urban South Hampshire is used to best effect.

Placing the workspace issue in the creative and cultural and wider economic development strategy.

PUSH and HEP have acknowledged the need to persist in developing a strong evidence base and a compelling analysis and narrative that properly values (neither over nor under) the contributions the creative and cultural sector make both to the regional economy and also to quality of place. Complementary actions can include coordinating research and sharing outcomes about creative graduate destinations.