

Cabinet 25 June 2018

Report title: Lambeth Creative and Digital Industries Strategy for Growth

Wards: All

Portfolio: Councillor Matthew Bennett, Cabinet Member for Planning, Investment and New Homes

Report Authorised by: Sue Foster, Strategic Director for Neighbourhoods and Growth

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Report summary

The creative and digital industries (CDI) in Lambeth account for over 22,000 jobs in the borough and generate over £1.8bn of GVA for our local economy. Lambeth is home to the second highest number of Arts Council National Portfolio Organisations and over 30 million people a year visit Lambeth's world-class cultural institutions. The borough is home to two of the country's most important media institutions in ITV and the BFI, and is recognised as a growing home for tech start-ups and creative industries. Lambeth's strong cultural heritage, creativity & diversity make it a natural home for creative industries. Despite this, the percentage of jobs in Lambeth in the CDI sectors is lower than the London average and there is more work to do to tackle inequality in CDI employment.

Taking a proactive approach, the CDI strategy has been produced through extensive consultation and partnership working. The CDI Strategy celebrates our borough's unique diversity and character. The strategy reflects a true partnership approach with evidence-based roles for Lambeth's public, private and third sectors to play, with the council committing to taking a business-friendly, pro-growth approach. The CDI strategy represents an ambitious approach to delivering inclusive growth, building a better and fairer Lambeth.

Finance summary

The proposed Strategy will be funded through a combination of secured and future grant funding and s106 and CIL funding. There are no direct financial implications arising from this report.

The Strategy will provide a strong framework to support additional fundraising activities led by the council or our partners.

Recommendations

1. To approve the Lambeth Creative and Digital Industries Strategy for Growth.
2. To agree that, where relevant, service areas across the council take account of the Strategy in the production of new policy and strategy.
3. To agree that the council should continue to work collaboratively with our communities and business partners in delivering our priorities and achieving inclusive economic growth that benefits Lambeth's residents and businesses.

1. Context

- 1.1 The creative and digital industries (CDI) are high growth, high value sectors. Across the UK, the creative industries account for two million jobs and are growing twice as fast as the economy as a whole. There were over 7,500 digital start-ups in London in 2016, with some 20% of digital companies classified as high growth.
- 1.2 Research at a London level¹ demonstrates the creative industries are 25% more productive than the average for London's economy as a whole. This also means that workers in London's creative economy tend to be paid more than the average across all sectors of London's economy. The CDI have strong potential to deliver 'good growth'.
- 1.3 The CDI are one of Lambeth's largest and most important sectors. In Lambeth, 22,000 jobs are generated directly by CDI organisations and they contribute £1.8 billion for the economy.
- 1.4 They provide significant support and fuel growth in other parts of our economy — particularly the visitor and night time economy which are one of the borough's key strengths. Within Lambeth, growth is taking place in a wide range of creative and digital sectors — particularly design and fashion, craft, creative tech (including games), publishing, film and TV, and advertising.
- 1.5 Our creative economy brings people together, provides life-affirming moments and helps to make Lambeth's places of authenticity stand out.
- 1.6 However despite these strengths, employment growth within Lambeth's CDI in recent years has occurred at a slower rate than the London average. It was identified that the council lacked a detailed understanding of Lambeth's 'creative DNA'; the opportunities and threats to our existing creative and digital sectors; the benefits of growth that these industries can deliver for Lambeth's residents and places; and how the council and partners can seek to positively affect change.
- 1.7 Future Lambeth: Our Borough Plan 2016-2021, identifies CDI as a key priority growth sector for the borough. Expanding on the high level vision to support CDI growth within Future Lambeth, the Lambeth CDI Strategy for Growth aims to:
 - Celebrate the outstanding contribution that the CDI make to the borough
 - Profile the enduring and distinctive character of Lambeth – its creative DNA
 - Present an evidence-led approach and set clear objectives
 - Detail actions on how the council and partners can work together to drive inclusive growth through the CDI economy.
- 1.8 The Lambeth Equality Commission Report and Recommendations 2017 makes specific recommendations relating to the CDI, and which are addressed by the development and future implementation of the Strategy:
 - Encourage primary and secondary schools to take up the specific recommendations of Lambeth's Creative and Digital Industries Growth Strategy including activities targeted at tackling underrepresentation of Equalities Commission priority groups in important growth sector.

1 'The Creative Industries in London', GLA Economics, October 2015

- Develop sector growth strategies for parts of the economy that have a higher proportion of higher paid and skilled jobs, including creative and digital industries This work should not only seek to attract more employment growth from high value sectors but also bring forward actions to support education and employment pathways for underrepresented groups in these industries

2. Proposal and Reasons

Recommended option: Lambeth Creative & Digital Industries Strategy for Growth

- 2.1 The CDI have long benefited from supportive industrial strategy at a national level allied to local level interventions. Joint action by industry and the public sector can unlock further growth and ensure the benefits of growth are spread evenly – including by communities experiencing high levels of inequality identified by the Equalities Commission Report.
- 2.2 Cabinet approval will enable the council to publish the Strategy, providing a clear framework for joint working between the council and local stakeholders. The Strategy will help to position the council as a CDI business-friendly authority, and will support future fundraising efforts by the council and partners for projects that help deliver inclusive CDI growth.
- 2.3 The proposed Strategy (Appendix 1) is informed by a significant amount of evidence building and engagement, primarily through the Lambeth Creative and Digital Industries Study 2017 and the production of our London Borough of Culture bid — *Radical Hearts Open Minds*. This has included:
 - The formation of an Advisory Group made up of representatives from across Lambeth’s existing CDI organisations (including B3 Media, BFI, Champion Agency, ITV, Southbank Centre) Business Improvement Districts, education providers (including King’s College London, London South Bank University, Morley College), workspace operators, pan-London business support organisations (Capital Enterprise) and other partners (including Greater London Authority, Guys and St Thomas’ Charity, Young Lambeth Coop).
 - Several events with over 100 local stakeholders, exploring the cultural distinctiveness of Lambeth and future ambitions for change.
 - A survey of local businesses, with 160 responses.
 - A literature review, including research already undertaken by organisations such as Creative Industries Federation and Tech UK.
 - In-depth interviews with 40 stakeholders.
 - A review of the property market and planning framework relating to the creative and digital economy.
 - Workshops — with businesses, sector-focused business support bodies, property developers, and education providers
- 2.4 This process ensures the plans set out in the Strategy are evidence-led. It has allowed us to present the existing picture - giants and hidden gems, diversity and richness of Lambeth creative and digital DNA. The council is now in a better position to understand these sectors in greater detail, how they can grow, and what can be done to nurture that growth.
- 2.5 In order to deliver the ambitions of the Strategy, collaboration is required across service areas and in collaboration with industry. Actions contained within the Strategy have relevance to several service areas of the council. For example: the Education service in connection with actions relating to work experience and collaboration with cultural institutions; Licensing in connection with the Licensing Policy Review; and Planning in connection with the Local Plan

Review.

- 2.6 The Strategy directly relates to the council's aspiration to support the provision of affordable workspace throughout the borough by direct delivery, such as; Tripod the new enterprise space in the Town Hall; Granby Place and Waterloo Works, in Waterloo; and Pop Brixton. The council is encouraging developers and investors to recognise that affordable workspace is a positive driver of value and diversity that should be embraced and where possible the local planning authority is securing this through the planning process and Section 106 Agreements.

Alternative option: not adopting a strategy to support and guide CDI growth

- 2.6 Without a strategy, the council does not have a clear framework to guide future work to encourage inclusive CDI growth. The Strategy also helps to communicate to external audiences that Lambeth wants to secure high growth, high value economic growth in the borough, and our willingness to work in partnership with others to help grow the local economy and ensure the benefits of growth are spread evenly.

3. Finance

- 3.1 The council has secured grant funding to fund a number of the actions within the Strategy; the London Economic Action Partnership Good Growth Fund (capital), the Mayor of London Cultural Impact Award (revenue) and the Creative Enterprise Zone award (revenue).
- 3.2 In addition, the Strategy will be funded through banked and future s106 and CIL funding.
- 3.3 There are no direct financial implications arising from this report.
- 3.4 Parts of the Strategy are intended to be funded through external funding and can only be undertaken once that funding is secured. The Strategy will provide a strong framework to support additional fundraising activities led by the council or our partners. Actions within the Strategy that rely on additional fundraising activity are worded to ensure that it is clear that delivery will be subject to additional fundraising success.

4. Legal and Democracy

- 4.1 Section 1 of the Localism Act 2011 enables the council to do anything that an individual may do.
- 4.2 Section 137 of the Local Government Act 1972 permits the council to incur expenditure which in their opinion is in the interests of, and will direct benefit to, their area or any part of it or all or some of its inhabitants. However the council is not permitted to incur expenditure under this power, unless the direct benefit accruing to their area or any part of it or to all or some of its inhabitants will be commensurate with the expenditure incurred.
- 4.3 This proposed key decision was entered in the Forward Plan on 16 March 2018 and the necessary 28 clear days' notice has been given. In addition, the Council's Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by Cabinet. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days - the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. Consultation and co-production

5.1 Please refer to paragraph 2.3

6. Risk management

6.1 None

7. Equalities impact assessment

7.1 An Equalities Impact Assessment (EIA) has been developed, and is provided as Appendix 2.

7.2 The EIA details how the Strategy has been developed to respond to key recommendations and actions from the Lambeth Equality Commission Report. The EIA outlines how specific protected characteristics (race, gender, disability, age, social-economic factors and health) will be positively impacted through the delivery of the Strategy. There are no disproportionate negative impacts identified or expected.

7.3 The Strategy and EIA were presented to Corporate EIA Panel on 11 June 2018. The Panel were made two key recommendations for the Strategy:

- a. Panel suggested that the EIA highlights the opportunities to engage disabled residents – particularly those classed as ‘hard to reach disabled’ – and work in partnership with local, grassroots VCS organisations who work with particular communities (such as faith groups, BAME).
- b. Panel recommended that the strategy should include reference to those residents classed as EAL but with sufficiently good English language and who have interest in these industries. This could include linking to existing ESOL courses to provide pre-employment engagement and support.

7.4 Both recommendations have been addressed in the Strategy, with additional commentary added on pages 52 and 66 in regard to working with local and grassroots organisations to engage all groups who are typically hardest to reach and to encourage programmes that link skills support with English language training.

8. Community safety

8.1 No implications

9. Organisational implications

9.1 Environmental

None.

9.2 Staffing and accommodation

No direct implications. The Neighbourhoods and Growth restructure will result in increased capacity within the Business, Culture and Investment team; with a dedicated post to oversee the delivery of the Strategy if approved.

9.3 Procurement

None.

9.4 **Health**

None.

10. Timetable for implementation

If agreed the Strategy is due to be launched in mid-July 2018. This will be done following additional formal endorsements from the Advisory Group and partners, further securing commitment to collectively deliver against the outlined actions.

Audit Trail				
Consultation				
Name/Position	Lambeth directorate / department or partner	Date Sent	Date Received	Comments in paragraph:
Councillor Matthew Bennett	Cabinet Member for Planning, Investment and New Homes	05/06/18	07/06/18	
Sue Foster	Strategic Director for Neighbourhoods and Growth	05/06/18	07/06/18	
Sandra Roebuck	Director, Growth, Planning and Employment	04/06/18	05/06/18	3
Andrew Ramsden, Finance	Corporate Resources	05/06/18	07/06/18	3
Greg Carson, Legal Services	Corporate Resources	05/06/18	06/06/18	4.1 – 4.2
Henry Langford, Democratic Services	Corporate Resources	05/06/18	07/06/18	4

Report History	
Original discussion with Cabinet Member	13.06.16
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	16.03.18
y decision reasons	3. Meets community impact test
Background information	Future Lambeth: Our Borough Plan 2016-21 Lambeth Equalities Commission Report and Recommendations 2017 Radical Hearts Open Minds, London Borough of Culture bid 2017
Appendices	Appendix 1 – Lambeth Creative and Digital Industries Strategy for Growth Appendix 2 – Equalities Impact Assessment – Lambeth Creative and Digital Industries Strategy for Growth