

Natural Infrastructure and Growth Scrutiny Panel



Date of meeting:	12 February 2025
Title of Report:	Creative Industries Plan Overview
Lead Member:	Councillor Jemima Laing (Deputy Leader, and Cabinet Member for Children's Social Care, Culture and Communications)
Lead Strategic Director:	Karime Hassan (Interim Strategic Director for Growth)
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Contact Email:	hannah@plymouthculture.co.uk
Your Reference:	CI Report 2025
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

In the summer of 2024 Plymouth City Council asked Plymouth Culture to lead the development of a Creative Industries Plan, providing a budget of £25k to commission this work. This report provides an overview of the process for developing the plan and an outline of the headlines and recommendations that are emerging.

Recommendations and Reasons

The committee is asked to note the report.

Reason - to ensure that the committee is updated on the progress of the plan and has opportunity to discuss the emerging recommendations and input to the final plan.

Alternative options considered and rejected

Update report only, no alternatives required.

Relevance to the Corporate Plan and/or the Plymouth Plan

This supports the City Vision to be one of Europe's most vibrant waterfront cities and the City Council priority of a vibrant cultural offer.

The Plymouth Plan remains the City's overarching strategic plan, looking ahead to 2034. The Plan sets out a shared direction of travel for its long-term future bringing together a number of strategic planning processes into one place. The Plan sets out the aspiration to be a healthy and prosperous city

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Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: David Draffan (Service Director Economic Development)											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 27/01/2025											
Cabinet Member approval: [electronic signature (or typed name and statement of 'approved by email/verbally')] Cllr Jemima Laing approved by email Date approved: 27/11/2024											

Creative Industries Plan Overview

1.0 Context

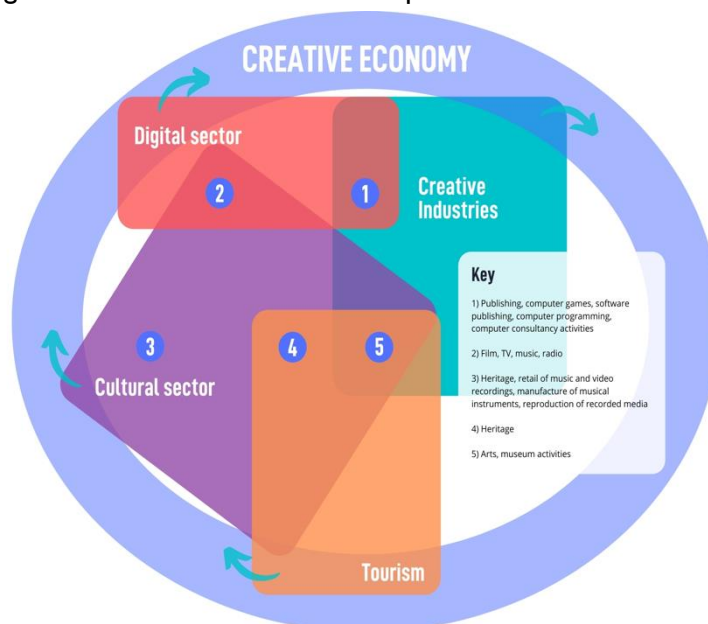
The Culture Plan (https://plymouthculture.co.uk/wp-content/uploads/2021/07/Plymouth-Culture-Strategy_REV_P08_fulldraft.pdf) was adopted by PCC in March 2021 and published in May 2021. This strategic plan, and those that have come before it, have successfully steered the growth and development of the cultural sector over the last 10-15 years.

Against a backdrop of funding cuts Plymouth has maintained its investment from Arts Council England, seeing 8 organisations share £4.1m per year, an investment of £12.34m over the three-year contract. The sector has secured in excess of £50m from other externally funding programmes for both capital and revenue activity. The sector has also shown signs of remarkable recovery post covid, with hundreds of events engaging millions of audience members each year.

This strategic sector development approach to the cultural sector, and the decades of commitment and investment that came before, have had a profound impact on the cultural landscape of the city. Plymouth is without doubt recognized nationally and internationally as a cultural destination, programming and producing world-class culture. The cultural infrastructure in the city has continued to evolve with venues such as The Box, Theatre Royal Plymouth and Market Hall representing unique assets to the sector and the city, with national and international reach. The wider cultural ecosystem has also developed with the presence of artist-led initiatives, artist studios, cultural education, creative networks and freelancers.

We acknowledge within the Culture Plan that culture is connected but different to the creative industries, and just one part of the wider creative economy, as illustrated in the image below. Arts Council England have undertaken substantial research into the relationship between the cultural sector and creative industries and have identified cultural organisations' impact to include:

- **Innovation:** acting as R&D labs for the creative industries, bearing the risk and providing the opportunities for experimentation that can lead to commercial activity.
- **Education:** opening up access to a rich and diverse education, equipping young people with the skills and creativity they need to work in the creative industries, as well as other sectors.
- **Collaboration:** supporting supply chains and enables companies and freelancers to access the broad range of skills needed to create new products and services.



As such we identified a need and opportunity for the development of a Creative Industries Plan which is complementary to the Culture Plan but looks specifically at the opportunities for growth within the Creative Industries. Based on the successful approach to growing and developing the cultural sector, there is an

opportunity to deploy this methodology to the Creative Industries. Given the strong cultural infrastructure within the city we believe we have the right foundations on which to build and grow the creative industries. Now is the time to leverage the investment in cultural assets and organisations and work with partners to stimulate growth in the creative industries. For this to happen we need a tailored but integrated plan. Doing so will support the city's economic growth agenda as well as wider place-making ambitions.

2.0 Process

In the summer of 2024 Plymouth City Council asked Plymouth Culture to lead the development of a Creative Industries Plan. We commissioned creative industries specialist Joanne Evans and data journalist Miriam Quick to deliver this work.

The Creative Industries Plan draws data from a range of sources including Companies House, Data City, the Office for National Statistics (ONS), and DCMS, to understand our baseline. It also takes account of information gathered from cultural organisations and creative businesses through 1-2-1 consultations. The report considers examples of effective support for the creative industries elsewhere in the UK that we might learn from.

To define the scope of the work we used the Department for Culture, Media & Sport (DCMS) classification of the creative industries. This encompasses nine subsectors:

- IT, software and computer services
- Film, TV, video, radio and photography
- Advertising and marketing
- Publishing
- Music, performing and visual arts
- Architecture
- Design and designer fashion
- Museums, galleries and libraries
- Crafts

3.0 UK Creative Industries Sector

The Creative and Cultural Sector is a high-value, growth sector for the UK. The sector expanded twice as fast as the UK economy as a whole between 2010 and 2022. Latest figures (2022) show that the sector contributed 5.7 percent of all UK GVA, equating to £124.6 billion¹. The spillover effect of the sector is also significant, and somewhat unique. Reports show that on average, each creative job in a locality generates 1.9 jobs in leisure and retail, because creative workers spend their money locally². Data shows that for every 10 jobs in creative industries, a further seven are supported in other sectors and for every £1 contributed in GVA, a further £0.50 is generated in other sectors³.

In recognition of this sustained contribution to UK growth, the government has made the creative industries a priority sector⁴. The Creative Industries Sector Vision, published in 2023, also lays out plans to expand the creative industries' GVA by £50 billion a year and add a million extra jobs by 2030⁵.

4.0 Plymouth Context

The Great South West had the joint fastest creative industries jobs growth of any British region between 2019 and 2022 period (4.1 percent CAGR) and over the longer term (2015-2022), the GSW's creative industries jobs growth rate (2.8 percent CAGR) approached London's (3.5 percent CAGR)ⁱ.

¹ DCMS: [DCMS Sectors Economic Estimates Gross Value Added 2022](#). Released 15 February 2024. 2022 data is provisional.

² Creative Industries Policy and Evidence Centre (PEC): [Do Creative Industries generate multiplier effects? Evidence from UK Cities, 1997-2019](#). Published July 2021.

³ Oxford Economics: [The UK Creative Industries: Unleashing the power and potential of creativity. Published July 2021](#).

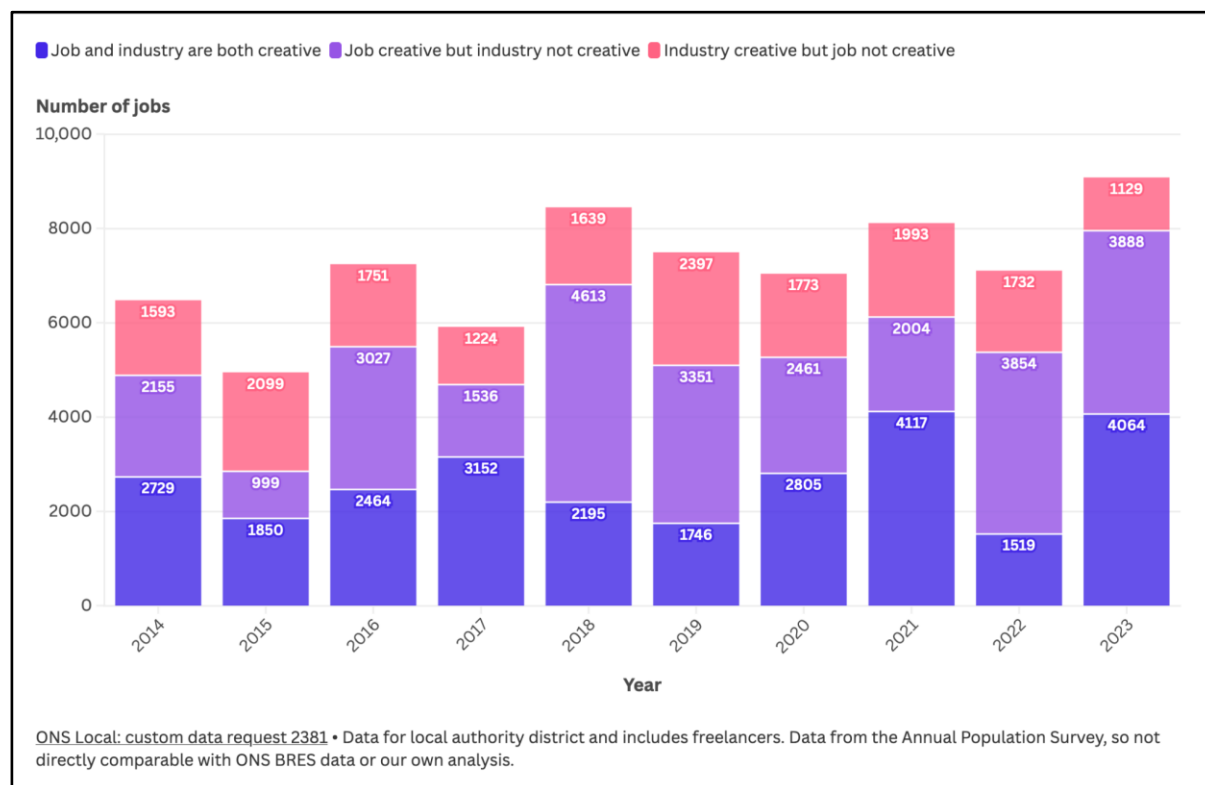
⁴ Government green paper: [Invest 2035: The UK's modern industrial strategy](#). Published 14 October 2024.

⁵ DCMS: [Creative Industries Sector Vision](#). Published 14 June 2023. Last updated 20 June 2023.

Considering this sustained growth, Plymouth has the potential to become the urban creative capital of Devon and Cornwall. Compared to the broader South West region, it has a high proportion of young people aged 18-34, its housing is relatively affordable⁶ and digital connectivity in the city is currently good⁷. It has a much higher share of people in further education and skills than the English average⁸. All of these are strong reasons for creative industries businesses to be based in the city.

Plymouth as a hub for the Creative Industries in the SW has a strong starting position with nearly 9,000 people worked in creative industries and creative roles in Plymouth in 2023⁹. However, the sector is relatively small when compared with the national picture, with just 2.1 percent of Plymouth employment in 2022 in the creative industries, compared to 4.4 percent across Britain. The sector is also small relative to other industries in the city, and its recent growth has been limited. The creative industries share of Plymouth employment changed little between 2015 and 2022.

Figure 1: Over 9,000 Plymothians work in creative industries and/or jobs



Three subsectors dominate Plymouth’s creative industries: IT, software and computer services; film, TV, video, radio and photography; and music, performing and visual arts. These three primary subsectors combined contribute more than 80% of GVA:

- Music, performing and visual arts £40.2 million
- Film, TV, video, radio and photography £37.1 million
- IT, software and computer services £32.1 million

The 393 creative industries companies in Plymouth for which we have turnover data account for £102.5 million in turnover¹⁰ and 380 companies for which we have GVA data contribute £134.9 million GVA to the city’s economy¹¹. The figures are dominated by a handful of large and medium-sized companies:

⁶ ONS: [House price to workplace-based earnings ratio](#). Released 25 March 2024

⁷ Ofcom via ONS: [Explore local statistics](#). Data for January 2024.

⁸ ONS: [Explore Local Statistics – Plymouth](#). Data for 2023 or 2022-23.

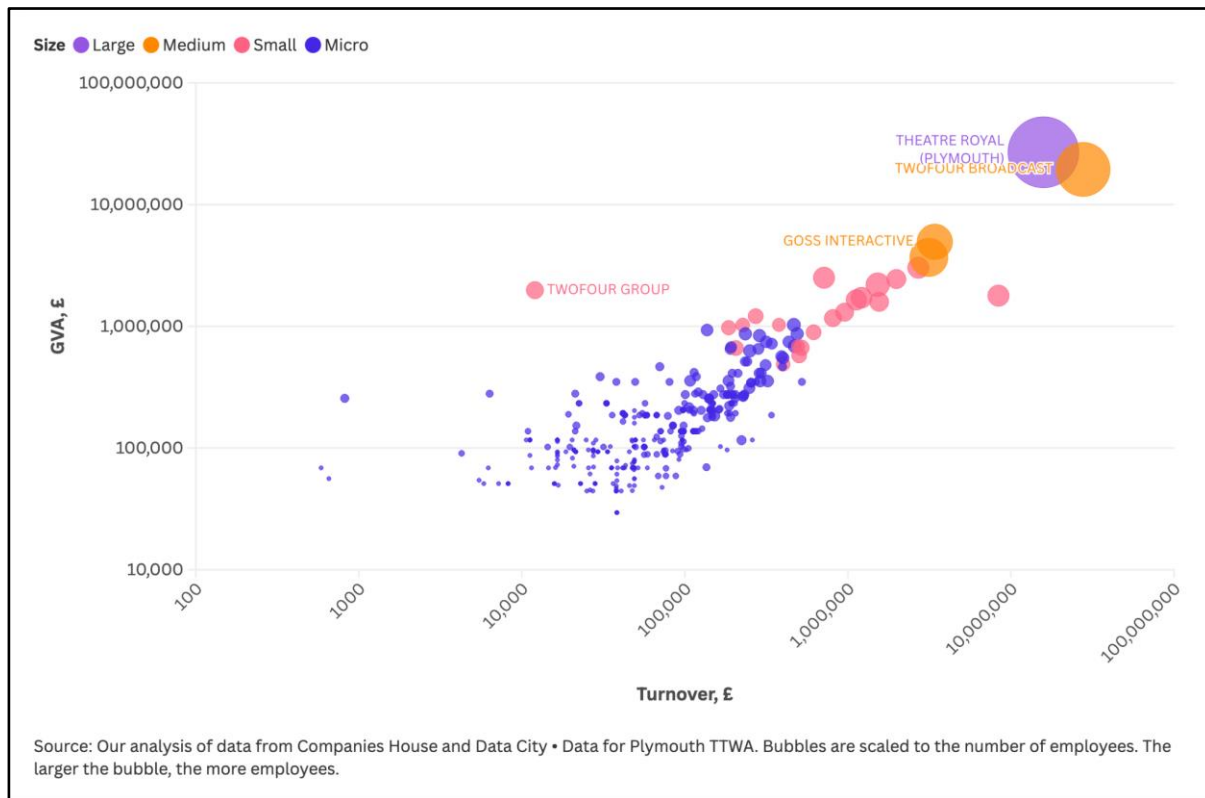
⁹ ONS Local: [Overview of creative jobs and creative industries, Great South West, 2014 to 2023](#). Released 27 September 2024. Custom data request reference 2381, with data based on the Annual Population Survey. Data for Plymouth local authority district.

¹⁰ Data coverage for the Plymouth TTWA is 553 of 905 companies, which generate £116.3 million turnover.

¹¹ Data coverage for the Plymouth TWA is 525 companies which account for £159.4 million GVA.

- 73 percent of turnover from the film, TV, video, radio and photography subsector (£27.7 million of £38.1 million) is from TwoFour, a medium-sized company.
- 72 percent of turnover (£15.8 million of £21.8 million) from the music, performing and visual arts subsector is from TRP. TRP also accounts for 63 percent of GVA.
- 39 percent of architecture turnover (£3.1 million of £8.1 million) is from Services Design Solution, a medium-sized company.

Figure 2: Larger companies anchor Plymouth's 'flotilla' of micro-businesses

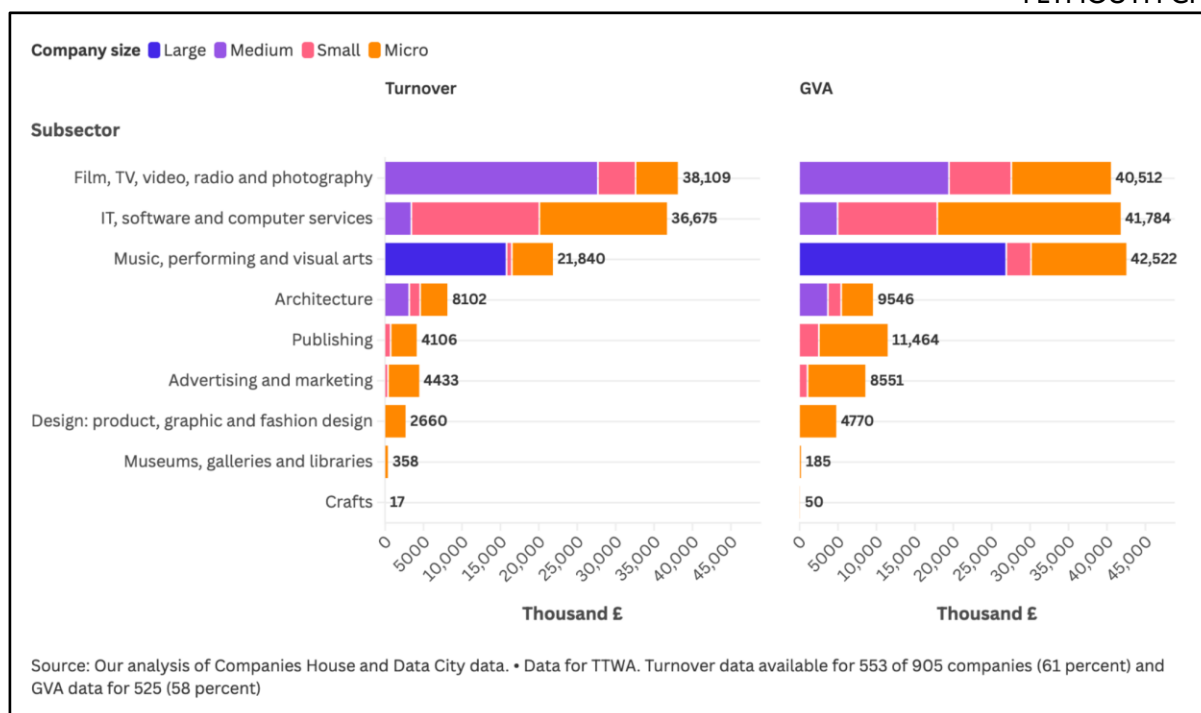


The largest by raw job count is IT, as it is nationally. This subsector is an essential foundation for other industries, driving digital transformation and enabling innovation across the board.

Film, TV, video, radio and photography is the largest subsector in Plymouth by total turnover. It includes some of the largest creative industries businesses in Plymouth.

Music, performing and visual arts is the strongest creative industries subsector in Plymouth. In 2022, its share of jobs in the city was comparable to the British average – with a big contribution from Theatre Royal Plymouth, Plymouth's largest creative industries employer. The subsector also contributes the most to the city's economy in GVA terms: at least £42.5 million. Thriving music, performing and visual arts activities bring vibrancy and playfulness to Plymouth – essential for making the city a great place to live, improving the city's quality of life for current residents, helping to retain graduates, and attracting talent to the city.

Figure 3: Film, IT and music lead on turnover and GVA in the TTWA



Whilst these statistics may show growth within the city, it is important to consider the National picture to identify Plymouth's demonstrable strengths. The 2015-2022 ONS employment data shows Plymouth's job share is lower than national in all subsectors except music, performing and visual arts and crafts. Plymouth's subsectors from strongest to weakest in employment terms by location quotient, relative to Britain as a whole are:

- Crafts: 2.69
- Music, performing and visual arts: 1.01
- Museums, galleries and libraries: 0.78
- Architecture: 0.61
- Film, TV, video, radio and photography: 0.53
- Publishing: 0.40
- Design: product, graphic and fashion design: 0.37
- IT, software and computer services: 0.30
- Advertising and marketing: 0.25

From this we can see for example, IT employment is growing in Plymouth, but job counts are lower than you might expect for a city of this size: in 2022, the location quotient of this subsector was just 0.30. Whilst craft is a strong subsector in Plymouth it remains small, comprised of freelancers or micro businesses leaving limited opportunity for scaled growth. The music, performing and visual arts subsector is performing slightly above the national picture and presents a genuine opportunity for growth.

5.0 The scale of opportunity

If Plymouth's creative industries job share were boosted up to the British average, so the city was participating fully in the national and regional growth trend, we would gain:

- +3,000 high-skilled jobs
- +£165-£230 million GVA
- 1.9 additional jobs in leisure and retail generated by each creative job

Stimulating growth in the creative industries in Plymouth represents a valuable opportunity to secure a proportion of these additional jobs and GVA.. Bringing Plymouth's job share up to the national average would generate over 3,000 jobs in the local authority district and 4,000 across the TTWA. Assuming these new creative industry jobs produced the same GVA per job as those already in existence, that would generate an

estimated extra £165-230 million GVA per year for the local authority district and £203-£297 million for the TTWA.

IT and tech businesses are essential to drive innovation and R&D where tech intersects with other industries, putting the automation in marine automation, the advanced into advanced manufacturing and the digital into digital healthcare. Cybersecurity, AI and visualisation are particularly important to these hybrids. If Plymouth could boost its overall IT job share to reach the national average, the city would gain an extra 1,700 tech professionals, potentially earning £75-123 million in additional GVA for the city. Centre for Cities currently ranks Plymouth 48th out of 63 cities for innovation (new economy firms per 10,000 working age population)¹². More IT businesses and professional would drive innovation across industries

IT skills and tech businesses are essential to create and grow hybrid enterprises where creative industries subsectors overlap with each other, including in convergent and immersive screen, interactive performance and adtech. As such there exists an opportunity for the film, TV, radio, photography subsector to work together with IT businesses and Plymouth's immersive infrastructure to develop future-proofed immersive content and services in the convergent screen industry. If Plymouth had a job share in line with the British average, it would bring an extra 340 jobs to the city, many of them highly skilled, and potential GVA gains of £33-34 million.

A stronger creative industries sector would help Plymouth diversify its economy, making it more resilient and mitigating its dependence on a small number of sectors and publicly funded service jobs, something highlighted as essential for cities to survive and thrive in the Centre for Cities report, and it would drive innovation. When industry intersects with creativity and technology, the new hybrid businesses form the backbone of the future economy.

A vibrant creative industries sector will also help Plymouth attract talented people, and their families, to live in the city, helping to meet the demand, identified in the economic strategy, for a large number of additional skilled workers in key industries over the next 10 years. It may also help repopulate and regenerate areas of the city as research shows creative industries workers and businesses are more likely to move into deprived areas. This aligns well with the city brand work to reposition Plymouth in both the tourism and jobs market.

Sitting at the centre of the Devon and Cornwall peninsula where creative industries are growing, Plymouth could be its urban creative capital. Compared to the broader South West region, Plymouth has significant advantages and the right conditions to stimulate creative industries growth. It has a high proportion of young people aged 18-34¹³ and is an affordable city to live in relative to other South West cities based on its house price to earning ratio¹⁴. It also has a much higher share of people in further education and skills than the English average, despite a lower share with Level 3 or above qualifications¹⁵.

Digital connectivity is good in the city, particularly compared to other areas in the South West. Ninety-one percent of premises in Plymouth had coverage from a Gigabit-capable broadband service in January 2024, compared to a national average of 78.8 percent. This ranks the city highly on broadband speed. In addition, 100 percent of the Plymouth local authority district area had 4G coverage and 97.1 percent had 5G coverage in January 2024, ranking it in the top third of local authority districts across the UK¹⁶.

Being in a microcluster makes a big difference to companies outside established creative clusters. Companies in microclusters are more likely to want to grow than those not in a microcluster. They are also more likely to

¹² [Centre for Cities](#)

¹³ ONS, MYE2: [Persons by single year of age and sex for local authorities in England and Wales, mid-2023](#)

¹⁴ ONS: [House price to workplace-based earnings ratio](#). Released 25 March 2024

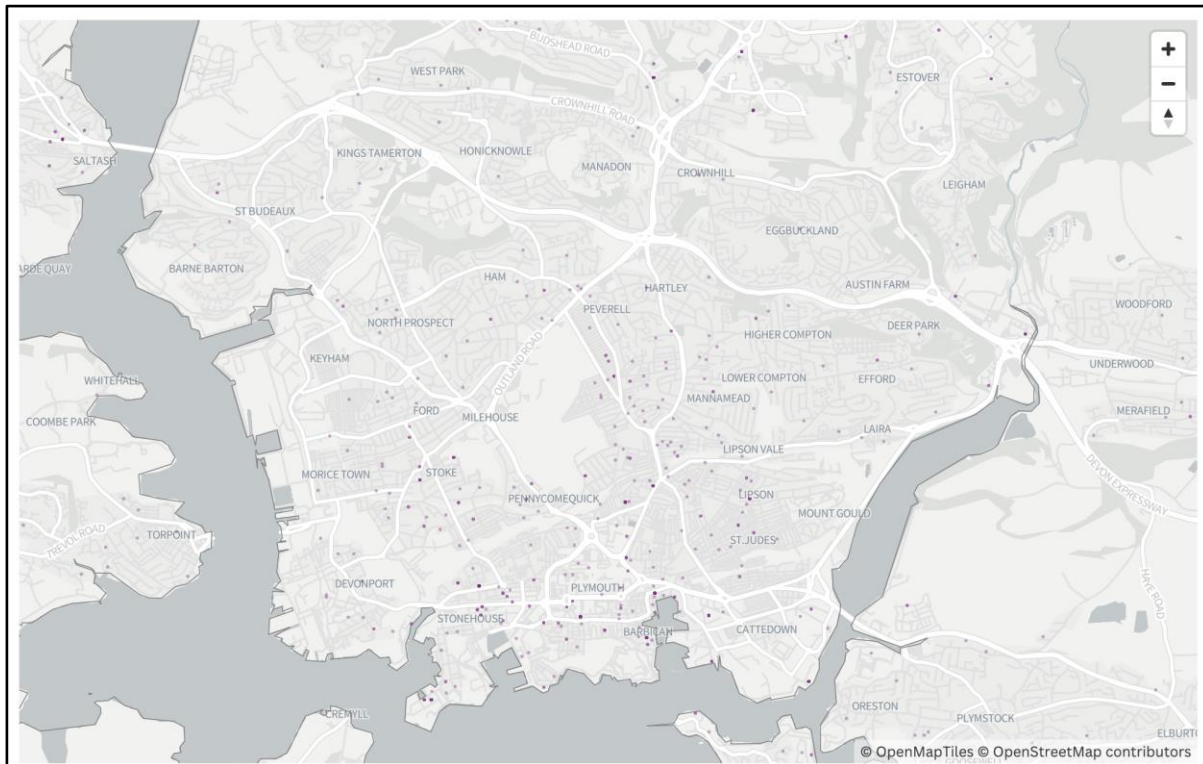
¹⁵ ONS: [Explore Local Statistics – Plymouth](#). Data for 2023 or 2022-23

¹⁶ Ofcom via ONS: [Explore local statistics](#). Data for January 2024

behave like companies in bigger, established creative clusters, benefitting from a proximity to skills, customers and knowledge¹⁷.

On a TTWA-wide scale, Plymouth could be considered a creative industries cluster, but within the city there is little sign of microclusters forming. Figure 10 shows creative industries businesses are scattered around the city centre and are not clustered (except insofar as they tend to be located in more built-up areas). This may be impacting or even restricting creative industries growth in Plymouth.

Figure 4: Little evidence of creative industries microclusters within Plymouth



Educational and cultural organisations and infrastructure can anchor creative industries businesses and incentivise them to cluster by providing knowledge, supporting networks, providing specialist facilities and meeting spaces, and placemaking, as well as more formal business support¹⁸.

6.0 Recommendations

As an integrated, long-term strategy, the Creative Industries Plan makes a series of recommendations which enable Plymouth to leverage existing cultural assets, build on subsector specialisms and establish itself as a regional anchor and national cluster for the creative industries. An overarching recommendation is to **embed the creative industries in all council policy areas** - from skills, planning, and health through to tourism and the night-time economy – so the plan for its growth can be joined up with other priority themes in Plymouth.

The key recommendation and direction of travel within the Plan is to:

Designate culture and creative clusters (CCCs)

The foundation for the strategy is to develop culture and creative clusters (CCCs), that will encourage creative businesses to cluster and provide a route for the other interventions. Evidence shows that Creative industries

¹⁷ Creative Industries PEC: [Creative Radar 2021, The Impact of COVID-19 on the UK's Creative Industries](#) (PDF). Published July 2021.

¹⁸ Creative Industries PEC: [Creative Radar 2021, The Impact of COVID-19 on the UK's Creative Industries](#) (PDF). Published July 2021

companies prosper in geographical clusters, where they benefit from proximity to skills, customers and knowledge, and when they are clustered in deprived neighbourhoods, this can have a modest, but important, impact on regeneration. Establishing creative clusters would help businesses work together and grow, make creative activity in Plymouth more visible, and generate more vibrant neighbourhoods. The clusters would create a spatial dimension for targeted sector support including:

- **Policy:** the development and delivery of proactive policy approaches that support artists and creatives in local plans, housing and business rates policies
- **Space:** creating flexible, affordable, creative workspace and live-work spaces at below-market rents and ensuring no loss of space. When planning work spaces and live-work spaces for the creative sector, it is worth noting that creative businesses generally do not like bland office space. Nor do they require unaffordable luxury.
- **Skills and business support:** building entrepreneurial skills and offering business support, developing career pathways and opportunities for progression into the creative industries and supporting sectors
- **Community engagement and socially inclusive places:** embedding creative production in communities, creating socially inclusive places and strong links with education providers.ⁱⁱ

The Creative Industries Plan identified the need to anchor the clusters around existing organisations and suggests the exploration of four clusters:

1. **The Culture Cluster-** around The Box and universities (University of Plymouth and Arts University Plymouth), to develop the Tavistock Square site earmarked for demolition with live-work spaces.
2. **The Performance Cluster-** a music and performance zone in Royal Parade and Union Street that links the Guildhall, TRP, the Millennium building, the Reel and the Athenaeum.
3. **The Createch Cluster-** around the Market Hall in Devonport to attract IT, software, computer services and screen companies. A createch cluster in Devonport would bring createch companies close to their customers and enable defence, marine, energy and healthcare companies to use immersive assets and screen technologies to train staff for work in high-risk environments, such as offshore wind turbines.
4. **Plymouth Production Park (cluster) -** in Cattedown to increase TR2's production capacity by building the TR2 extension and developing its skills and supply chain to support industrial craft and new live production businesses.

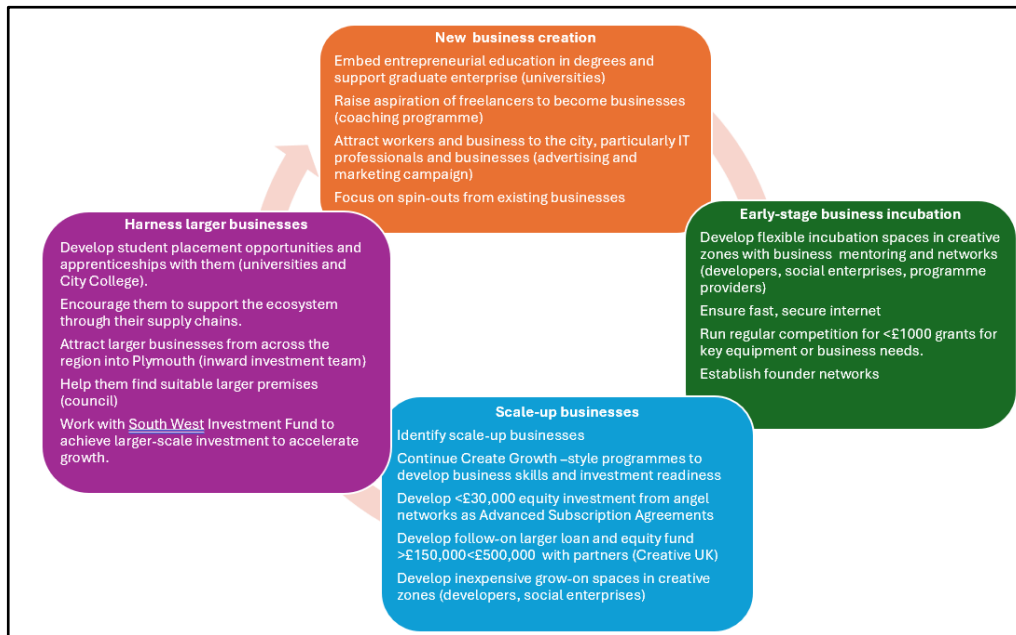
There are a number of supporting recommendations made within the Plan that could be deployed within the clusters and as cross-cutting themes:

Nurture partnerships to attract investment and deliver business support

It is essential Plymouth works with partners to deliver programmes and investment. This means building on the many cross-regional initiatives that exist, including those between Screen Cornwall and Screen Devon and the Create Growth programme delivered by Creative UK.

Build a business pipeline by providing support at each stage of business growth

To make Plymouth's creative industries ecosystem larger and more robust, it is essential to build a pipeline of businesses. Support should be provided to creative industries entrepreneurs and businesses at each stage of their development, from company birth and early-stage investment, to enhancing the impact of larger businesses. A Plymouth Pathway for creative workers to build creative businesses should be consistent and explicit, giving them confidence there is a road to growth in the city, as illustrated below.

Figure 12: The Plymouth Pathway, a virtuous cycle of business growth

Stimulate the tech sector

As part of the city's ambition to create new jobs in the city, 1,000 of them should be IT professionals with high-level skills, meaning degree level and above. Plymouth should also aim to create new digital and tech businesses with a focus on innovation and generating IP as well as computer services companies. These businesses are needed to build an investable creattech subsector, to drive innovation and growth in other creative industries subsectors and to underpin innovation in other industries. Key technology domains for Plymouth to focus interventions on are cybersecurity, visualisation and AI.

By implementing these interconnected recommendations, it is believed that Plymouth could significantly grow the Creative Industries, in terms of jobs, turnover and GVA, and establish itself as a vibrant Creative Industries cluster. Successful micro-clustering within the city, alongside the supporting interventions, would see a thriving creative industries sector that:

- Has many more micro- and small businesses, particularly in the music, performing and visual arts subsector, digital and screen industries
- Enables firms to cluster in vibrant, flexible and dynamic spaces with strong supply chains anchored by larger firms
- Establishes business networks, including virtual networks, which support graduate retention by increasing work placements and job opportunities
- Facilitates clusters to grow organically, as entrepreneurs and freelancers establish new businesses and workers split from established companies to create their own
- Provides accessible finance to enable small businesses with the potential to scale to become medium-sized businesses
- Facilitates hybrid businesses of the new economy to emerge.
- Champions inclusive practices in employment and audience engagement to support communities to access creative work and experiences
- Encourage talent to move to the city, attracted by its thriving creative economy.

7.0 Next Steps

The next steps are to identify the viability of these recommendations and formulate an action plan. The action plan will identify the immediate steps that can be taken to start to create the conditions for growth, as well as

articulating the need for external partners and funding, feasibility studies and sector leadership to fully realise the ambition.

Plymouth Culture will continue to lead the development of the action plan, ensuring that it sets out the nature and characteristics of a cluster and the proposed leadership and governance model.

The full plan and associated action plan will be presented to Cabinet in March 2025.

ⁱ Leading from the Edge: Creative Industries in the Great South West.

ⁱⁱ Mayor of London: [About Creative Enterprise Zones](#). Tarek Virani (UWE Bristol). Creative Enterprise Zones Impact Report 2018-2021 (July 2023).