Contribution of Culture to the North West Economy

FINAL REPORT

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EXECUTIVE SUMMARY

The Cultural Sector

- The Cultural Sector as a whole contributes £15bn to the region's economy;
- GVA for the Cultural Sector as a whole has been estimated to be 12%;
- Cultural sector employs 12% of the region's workforce;
- Average household expenditure on culture and recreational activities is 15% which is higher than UK average expenditure;
- Culture is a critical component of the continued economic and social renaissance of the North West region;
- A critical mass and excellence in culture are essential prerequisites for a competitive region.

Culture and Regeneration

- There are over 90 iconic buildings, facilities and attractions across the region building the profile of the region and supporting its distinctive image;
- Over £540m of direct capital investment has occurred in cultural facilities across the region;
- Liverpool Capital of Culture is expected to attract £2bn of inward investment across the city, generating 14,000 jobs and 1.7m extra visitors;
- The North West has a unique heritage of Cultural led regeneration which has resulted in world class public realm, cultural attractions and facilities, and the transformation of many areas across the region;
- Combined with infrastructure developments, culture transforms local economies, attracting jobs and leveraging substantial investment;
- Further and higher educational institutions provide a supportive environment to foster creativity and innovation;
- Higher Education Institutions provide additional cultural provision, and attract over 200,000 students to the region annually who act as supporters and innovators of culture.

Creative Industries

- GVA for the Creative Industries sector as whole is estimated to be 4.5%;
- 149,000 are employed within the sector – 99,000 directly employed with a further 50,000 self-employed;
- Number of businesses is estimated to be 18,000;
- Employment grew between 1995 and 2002 by 34,000 – 29% growth;
- Employment is expected to further grow by 18% over the next 8 years creating 27,000 additional jobs;
- Creative Industries play a vital role in the development of a highly skilled, knowledge based economy;
- The Creative Industries are highly entrepreneurial and encourage innovation and risk taking, key to revitalising the region's economy.

The Arts

- Substantial levels of investment from Local Authorities as well as Arts Council England supports a wide range of artistic activities – over £61.5m in 2003 -2004 was invested in the region by local authorities, Arts Council and external funders;
- Festivals have a significant impact on the economic vitality of their local areas;
- Numbers employed in the sector: 14,825;
- Number of businesses in the sector: 1,883;
- The Arts sector is an integral part of the wider Creative Industries sector and encourages risk taking and innovation;
- Improving the public realm and environment through arts is a key component of physical regeneration;
- Attendance and participation in arts activities across the region is higher than other Northern regions - 79% of adults have attended an arts event whilst 86% participated in an arts activity.

Museums, Libraries and Archives

- There are over a 160 museums and galleries in the region;
- Visitor numbers to North West registered museums has increased by over 30% since 1995;
- The sector is a significant employer and has seen substantial growth in recent years – over 12,000 people work in the sector across the region;
- Over £450m has been invested in the sector;
- Museums, libraries and archives directly benefit the region's economic and social renaissance; attracting visitors and increasing the cultural offer as well as providing opportunities to access learning and training for local communities.

Sport and Physical Activity

- GVA for the sector is estimated to be 1.5%;
- 1.75% of the region's workforce is employed in the Sports related activities;
- Volunteers play an important role and contribute an estimated £425m;
- 6,100 jobs and over £600m of public and private sector investment was levered in as a result of the Commonwealth Games in 2002; providing a significant boost to the long term regeneration of East Manchester with rising land values and investor confidence;
- Sports events showcase the region to a wide audience, attracting visitors and contribute to the overall image of the region;
- Sports plays a catalytic role in the regeneration of deprived areas and communities; it is anticipated that up to 10,000 jobs will be created in East Manchester through major developments established on the back of the developments undertaken for the Commonwealth Games.

Heritage

- Levels of Investment over the last ten years has been over £545m;
- Numbers employed: 9,629;
- Number of businesses: 1,027;

- Heritage and the Historic Environment are integral components of the visitor offer;
- Contribution to the creation of a distinctive identity and high quality environment adding value to the regeneration of towns and cities;
- Employment is substantially higher when volunteers are included.

The Visitor Economy

- Tourists consume goods and services worth £7.4bn in the North West;
- Tourism GVA: £2.75bn equating to 3.3% of regional economy;
- Visitors to the region increased by 4% between 2002 and 2003;
- Numbers employed: nearly 200,000 with 134,000 dependent directly on the sector;
- Number of businesses: 17,500 within the sector.
- Cultural attractions, whether they are iconic buildings, museums, art galleries, stately homes, leisure attractions or the fantastic natural heritage, such as the Lake District, Tate Liverpool, Blackpool Pleasure Beach or the historic cities of Chester and Lancaster, are key to attracting visitors to the region;
- Cultural events attract visitors and revenue and raise the profile of the region: during 2004/05 12 major events supported by the NWDA generated almost £16m of benefit to the regional economy and were attended by over 700,000 visitors. They provided 125,000 visitor bednights and secured 13.5 hours of national TV coverage.

1.0 Introduction

- The Cultural Sector as a whole contributes £15bn to the region's economy;
- Gross Value Added (GVA)[1] for the Cultural Sector as a whole has been estimated to be 12% [2] ;
- Cultural sector employs 12% of the region's workforce;
- Average household expenditure on culture and recreational activities is 15% which is higher than UK average expenditure;
- Culture is a critical component of the continued economic and social renaissance of the North West region;
- A critical mass and excellence in culture are essential prerequisites for a competitive region;

1.1 Overview

Culture is an integral part of the whole economic renaissance strategy to enhance growth and wealth across the North West. Investment in culture is as critical to driving the region's economy as investment in physical infrastructure and transport..

Places which invest in culture increase their capacity to retain and attract jobs, businesses and new investment. Ensuring there is a critical mass and excellence in culture, art and sport are essential prerequisites for a competitive region and act as key components in 'drawing' power.

For the purposes of this study, the Cultural sector encompasses Arts; Creative Industries; Heritage; Museums, Libraries & Archives; Sport and the Visitor Economy. These sectors make a substantial contribution to the region's economy and in total employ 12%[3] of the region's workforce and contribute £15bn to the economy. GVA for the Cultural sector in 2002 has been estimated at 12%.

It is estimated that North West households spend £54.70[4] per week on Recreation and Cultural activities which equates to 15% of average weekly household expenditure and is slightly higher than the UK average. As well as attracting visitor spend through a high quality cultural offer, it is important that the region's population continues to benefit from the high quality attractions and facilities and their expenditure is retained within the region.

[1] See Technical Annex for definition
[2] Regional Intelligence Unit, Benchmarking the Health of Cultural Businesses, 2003
[3] NW RIU Website
[4] Office of National Statistics, Region in Figures: North West, No 9 Winter 2004 - 2005

The sectors included within the Cultural sector are diverse and there is often a significant degree of overlap between the individual sectors in terms of how the businesses operate particularly between the Arts and Creative Industries where businesses and individuals often move between the commercial and not for profit arenas. There is also a significant cross over between the Heritage, Tourism and Museum sectors. These all play a significant role in attracting participants and visitors. This leads to difficulties in estimating the value of the cultural sector as a whole (which are already well documented) and new methodologies[5] and approaches are constantly being developed to ensure that there is a consistent evidence base upon which to make the case for culture.

The importance of the Cultural sector to the region's economy is highlighted when the GVA for the sector is compared to other key sectors.

Table 1.1 – GVA Sector Breakdown [6]

	% Share of Regional GVA
Cultural Sector	12%
- of which Creative Industries	4.5%
Textiles	5.1%
Chemicals	18.6%
Construction	5.8%
Wholesale & Retail	13.0%
Financial & Business Services	17.0%

1.2 Key Issues Facing the Region

Northwest Regional Development Agency (NWDA) is currently undertaking a review of the Regional Economic Strategy (RES) building upon a strong evidence base to determine future policies and investment priorities within the region. These priorities and policies will focus on reducing the productivity and Gross Value Added gaps which are constraining the economic and social prosperity of the region.

As part of the process of reviewing the RES, a study was undertaken focusing on the economic performance of the region and the identification of key issues that may need to be addressed during the development of the new RES.

[5] See Technical Annex for overview of the different methodologies used to measure the value of the cultural sector in particular the creative industries.

[6] Regional Intelligence Unit, Benchmarking the Health of Cultural Businesses, 2003; NWDA, Creative Industries Sector Factsheet, March 2005; Regional Intelligence Unit, Regional Accounts: Summary Datasets for the Northwest, December 2004

Despite the significant strides made towards improving the economic performance of the region, it is still underperforming. The GVA gap[7] between the North West and the English average amounts to £13.6bn[8].

A number of key challenges are identified which have a significant impact on the performance of the Region's economy and which will have to be addressed in the revised RES. Culture activities and investments can have a significant impact, either directly or indirectly, to overcoming these challenges:

- **Significant deficit in higher level skills and surplus in residents with no or poor skills** – access to cultural activities and provision and the cultural 'feel' and 'vibrancy' of places are key locational factors in terms of recruiting and retaining graduates and highly skilled knowledge workers; as well as providing friendly, relaxed and safe environments and routes back into learning and employment for socially excluded and hard to reach groups. Manchester ranked highest in the creative cities index produced by the Boho Britain survey[9], as a result of its mix of ethnic diversity, gay friendliness and technological innovation;
- **Innovation** – the for profit and not for profit cultural sectors are significant sectors in terms of developing, driving and implementing innovative developments in products and services applicable across a wide range of sectors. The North West's designer fashion sector has important links into the technical textile products market which supplies a wide range of markets including aerospace, construction, automotive, medical and industrial. ICDC – International Centre for Digital Content – based in Liverpool undertakes a wide range of research into innovative content solutions including location based services which have a wide range of applications within tourism, crime management and prevention and traffic management. Other research at ICDC is linked to products for the health and e-learning markets;
- **Knowledge Growth sectors** – the creative and digital sectors are recognised as key knowledge growth sectors for the Region and in recent years have seen substantial growth above the regional average. Between 1995 and 2002, employment within the creative industries sector grew by nearly 34,000[10] which was a 29% increase. These sectors are forecast to grow by a further 18% in the next 8 years;
- **Image and external perception** – improving the visitor and cultural offerings as well as regenerating the major cities and raising their profile have a significant impact on the Region's image as a whole and make a highly

[7] See Technical Annex for overview of the factors which contribute to this GVA gap
[8] Regeneris, North West Economic Baseline: Issues Report: A Report for NWDA, March 2005
[9] Demos, Boho Britain: creativity, diversity and the remaking of our cities, 2003
[10] Northwest Development Agency, Creative Industries Factsheet, March 2005

valued contribution towards attracting inward investment. A recent survey[11] of key business and political opinion formers stated that Culture, Entertainment and Image were key factors upon which investment and locational decisions were based.

When looking at the value of culture in the North West, the study has attempted to highlight where cultural activities and investments can make a significant contribution to overcoming the challenges the regional economy faces in reducing the GVA output gap.

However, the North West also faces significant social challenges resulting from the economic deprivation that the region has faced in recent years. The low skills base, high levels of worklessness, poor levels of health, high levels of crime and anti social behaviour often leads to high levels of disengagement, dissatisfaction and low confidence and self esteem. The cultural sector plays an important role in overcoming these social challenges.

Libraries across the region contribute to improving the skills base and provide routes back into training for many disadvantaged and disengaged individuals. By acting as UK Online centres, basic skills training including ICT as well as other subjects such as English and Maths, are provided in a friendly and non threatening environment.

Arts and sporting activities are highly effective methods of re-engaging young people and hard to reach target groups. They tackle low self esteem and low confidence, allow participants to develop transferable skills such as team working and leadership and provide positive routes for self expression[12].

Elevate East Lancashire

Elevate East Lancashire, the Housing Market Renewal Pathfinder for towns across East Lancashire, has used a variety of innovative schemes to involve children and young people in how the towns can be developed and improved.

The My Perfect Town project involves artists from Mid Pennine Arts working with children from local schools to design their perfect house, street and town through

[11] Project Pulse, Survey of Opinion Formers (unpublished report), 2004

[12] Further research and data collection is underway in the region on the benefits of cultural engagement to target groups, to demonstrate against PSA targets and improve investment in culture for social inclusion. This includes the current Whitbread Inquiry which investigates arts and sports as routes to education, training and employment for socially excluded young people, focusing on the Greater Manchester area.

painting, sculpture and collages. The project is linked to the curriculum atKey Stage 2.

The Spacelift Urban Design project aims to introduce the concepts of town planning to young people and are working in groups to identify public spaces which are suitable for improvement and will work with designers and architects to implement their ideas.

Linking with Women's Resource Centre, the Changing Room project is introducing interior design and creativity skills to women from various ethnic minorities. All of these projects are aimed at raising awareness of the importance of design and are providing creative based pre vocational training for the participants.

2.0 Culture and Regeneration

- There are over 90 iconic buildings, facilities and attractions across the region building the profile of the region and supporting its distinctive image;
- Over £540m of direct capital investment has occurred in cultural facilities across the region;
- Liverpool Capital of Culture is expected to attract £2bn of inward investment across the city, generating 14,000 jobs and 1.7m extra visitors;
- The North West has a unique heritage of Cultural led regeneration which has resulted in world class public realm, cultural attractions and facilities, and the transformation of many areas across the region;
- Combined with infrastructure developments, culture transforms local economies, attracting jobs and leveraging substantial investment;
- Further and higher educational institutions provide a supportive environment to foster creativity and innovation;
- Higher Education Institutions provide additional cultural provision, and attract over 200,000 students to the region annually who act as supporters and innovators of culture.

2.1 Culture's Contribution to Physical Regeneration

Culture has been embedded within a wide variety of regeneration schemes across the North West. A substantial amount of investment has already contributed to the regeneration and revitalisation of the Core Cities, Manchester and Liverpool, with investment in many world class cultural attractions and the development of attractive culture and leisure quarters and business locations. The successful redevelopment of areas such as the Northern Quarter and Castlefield in Manchester and Ropewalks in Liverpool are well documented.

Substantial investment is also underway in other cities and towns across the region such as Bolton, Wigan, Oldham, Lancaster and Preston to develop creative and cultural quarters based on their own unique heritage and offering. These initiatives aim to boost the economic regeneration of the areas, attract additional inward investment and jobs, create more attractive visitor and retail experiences and contribute to enhanced social cohesion and community engagement.

Preston

To support its economic regeneration, Preston is investing in a wide range of facilities including open spaces, leisure centres, libraries, disabled provision, the river and canal, the public realm and heritage within the city centre. Improving the awareness of art, use of community centres and maximising the benefits of creative talent also feature. It aims to provide a framework for the creation of a wider, quality range of city standard cultural facilities.

The Tithebarn regeneration scheme is a major redevelopment planned to begin 2007 providing leisure, shopping, office and other mixed uses within Preston city centre and before work begins, a 3 year programme of public art has been instigated on the site.

There are also plans to develop a new Cultural Quarter, building on the cultural offer of the city centre; and Creative Quarter, providing a focal point for the growing creative industries sector in the city. The Creative Quarter will be closely linked to UCLAN providing an opportunity to retain graduates within the area as well as providing existing businesses access to the research and facilities available.

Gallery Oldham

Opened in 2002 with £9m of investment, Gallery Oldham is the first phase in the development of a new, dynamic cultural quarter in Oldham. Education, outreach and the promotion of social inclusion and cultural diversity are at the heart of the gallery's work.

The multi-media education suite provides a dedicated learning space for a wide range of community groups, schools, families and individuals. This work was embedded within the ethos of the gallery from the outset to ensure that community ownership and pride were established.

Level of Capital Investment across the Region

The North West benefits from some 90[13] iconic cultural facilities and attractions such as Imperial War Museum North, Blackpool Tower, B of the Bang and Hadrian's Wall. The region has experienced a step change in the level of cultural investment in recent years and between 1995 and 2002 more than £540m[14] was invested across the region in the top 100 cultural projects, using a variety of funding sources including

[13] Business of Culture, Capitalising on Culture: Strategic Capital Investment in the Cultural Sector the Culture North West, March 2004

[14] As above

Lottery Funding, ERDF and NWDA. Table 2.1 shows the breakdown across the sub regions.

Table 2.1 – Number of Projects and Funding by Sub Region[15]

	Cheshire	Cumbria	Greater Manchester	Lancashire	Merseyside	North West
Number of Projects	8	14	44	20	23	109
Funds Awarded £m	11.8	26.3	356.5	53.8	94.2	542.6

Investment in capital projects has not risen in line with the increasing GDP[16] of the region. The trend in cultural investment has fluctuated and been influenced by one off large scale ideas or opportunities such as Salford Quays, 2002 Commonwealth Games and Liverpool Capital of Culture.

Greater Manchester has been the major recipient of the investment in cultural projects and when combined with Merseyside, these account for 83% of the total funds awarded. More than 50% of the total cultural capital funding within the region since 1995 was accounted for by 6 projects in Liverpool and Manchester.

Research has also been undertaken to identify the investment required between 2004 and 2114 to support the number of capital proposals which was estimated to be £2.9bn. However, with only £1.4bn in public sector funding available over the same period, there is a significant funding gap if all the proposals are to come to fruition.

Merseyside Objective 1 Programme

Since 1994, £7.8m[17] of Objective 1 funds have been invested in the cultural sector which has been matched by an additional £19m from other sources. There has been a real change in the cultural provision across the sub region with improvements in studio spaces and regenerated arts venues and theatres such as The Citadel and The Floral Hall.

Additional infrastructure development has also been undertaken across Merseyside including the continued redevelopment of the Liverpool Waterfront; substantial

[15] Business of Culture, Capitalising on Culture: Strategic Capital Investment in the Cultural Sector the Culture North West, March 2004

[16] See Technical Annex for definition

[17] Merseyside Objective 1 Programme website

investment into the former Marconi site to create a digital campus; and the renovation of buildings in central St Helens for use as managed workspace for creative and cultural businesses.

Improving the cultural infrastructure in Merseyside has had a significant impact on the economy of the sub region which when coupled with the additional physical infrastructure developments is transforming the economy, creating jobs and leveraging substantial private sector investment. Between 2002 and 2003 , the City of Liverpool had the fastest growing rate of economic growth of any of the English Core Cities[18].

Liverpool Capital of Culture

A significant programme of planned cultural infrastructure and business development projects are planned as part of the overall Liverpool Capital of Culture, which includes both activities leading up to and legacy projects following 2008.

As a result of being awarded the title of European Capital of Culture 2008, Liverpool is expected to benefit from 14,000 jobs, £2bn of inward investment and 1.7m new visitors[19]. Culture is now completely embedded within all of Liverpool's regeneration plans. Private sector sponsorship of the Programme is expected to raise £50m.

Both DCMS and Arts Council England are investing £5m each in the Programme. Liverpool has been awarded £1.2m from the Urban Culture Programme from the Millennium Commission and Arts Council England, which aims to build on the Capital of Culture competition and support cultural development programmes across the UK. In total, the North West received £2.2m of the funding available through the Programme. This funding is being used to support the Manchester International Festival and the C21 programme in Blackburn with Darwen, celebrating the links between Asia and Blackburn.

Liverpool's Culture Company established to deliver the 2008 Capital of Culture programme has £18.7m[20] in funding that is available to deliver the 2005 theme, Sea Liverpool; and 59% of this funding is anticipated to be spent on artistic, creative, cultural infrastructure and events.

[18] Liverpool Culture Company, Delivery Plan 2005 – 2006, 2005
[19] Liverpool Culture Company Website
[20] Liverpool Culture Company, Delivery Plan 2005 – 2006, 2005

2.3 Culture's Contribution to developing the Region's Knowledge Capital

The further and higher educational institutes (HEIs) across the North West play an important role in the cultural activities and life across the region. Many of those involved in the cultural sectors are highly educated and the HEIs provide a supportive environment to foster creativity and innovation. They are also attraction operators in their own right providing additional performance, arts, theatre and sports facilities, forming part of the region's cultural infrastructure which are used by a variety of participants including the wider community and visitors. The University of Manchester is currently undertaking a study to assess its role as a tourism asset.

The North West region attracts over 200,000 students annually who act as supporters and innovators of culture. They support the financial viability of entertainment facilities and create their own demand for provision.

Over 21,000 students register annually on full/part time cultural courses. The provision of students' education is supported by 2574 staff[21]. All staff and students contribute to the development of cultural activities and the use of related teaching, learning and research facilities.

The HEIs themselves are partly responsible for increasing participation in cultural activities. Each university holds its own events which are often used to decrease social exclusion through the targeting of rural communities, ethnic group and providing training courses for disability carers. HEIs can also use cultural events to market higher education courses and thus increase participation levels.

HEIs have a key role in developing innovative and knowledge intensive developments and are primarily responsible for advancing cultural activity through the research and development of various media and technologies. Spheres of research and the required facilities tend to focus on digital improvements, graphic design, music, film, sports science and drama.

HEIs also supports the development of the creative industries sector and several in the region have established incubation facilities, increasing linkages with the business community whilst supporting the development of new companies. UCLAN in Preston is a key partner in the city's economic development and cultural strategies. Knowledge exchange zones have also been created to bring employers, researchers and students together in order to provide work experience and nourish product development.

[21] NWUA, The Contribution of Higher Education to Cultural Life in the North West, 2004

HEIs in the region provide many opportunities to increase cultural links with the surrounding communities through hosting events and providing training/coaching courses. Local volunteers, e.g. sports coaches, are often supported by these schemes. Public art displays and public building design often involves partnership working between the regions HEIs and the local community.

HEIs are also engaged in improving the performance of the Cultural Sector as they are involved in the broader research networks and facilitate links between various stakeholders and agencies.

3.0 Creative Industries

- GVA for the Creative Industries sector as whole is estimated to be 4.5%;
- 149,000 are employed within the sector – 99,000 directly employed with a further 50,000 self-employed;
- Number of businesses is estimated to be 18,000;
- Employment grew between 1995 and 2002 by 34,000 – 29% growth;
- Employment is expected to grow by 18% over the next 8 years which would be 27,000 additional jobs;
- Creative Industries play a vital role in the development of a highly skilled, knowledge based economy;
- The Creative Industries are highly entrepreneurial and encourage innovation and risk taking, key to revitalising the region's economy;

3.1 Overview

The Creative Industries are clearly identified as a key growth sector within the current RES where public sector intervention, funding and support is required to ensure that the strengths within the region are built upon and their growth potential is maximised. They play a vital role in the development of a knowledge based, highly skilled economy which is a key priority for revitalising the economy of the North West and ensuring that the GVA gap continues to be reduced.

A number of well developed support agencies exist across the region including North West Vision, CIDS in Manchester and ACME in Liverpool which sustain the development and growth of the sector. Additional support networks are being established in the other sub regions – Creative Industries Partnerships in Cheshire, Cumbria and Lancashire - to act as a focus for growth in these areas.

Key players within the region, such as NWDA, local authorities and the Arts Council, have worked strategically on a number of projects aimed at improving the productivity and growth of the Creative Industry sector. This includes the emerging skills development strategy work undertaken through the Sector Skills & Productivity Alliances established by NWDA to better co-ordinate business support and skills development; and funding the extremely innovative project, Culture Finance North West.

Culture Finance North West

Culture Finance North West was established following research led by Arts Council England, North West which identified that access to finance and sources of available funding were often difficult to obtain and did not meet the needs of creative businesses. The aim of the project was to provide a micro credit fund to the sector as well as advice and guidance to those companies and individuals seeking finance. The two year pilot project was extremely successful dealing with over 400 enquiries, providing in-depth support to 53 companies and lending £131,000 to 27 companies.

3.2 Economic Impact[22]

The Creative Industries are important contributors to the region's economy with GVA estimated for this sector alone being 4.5%[23]. The turnover for the sector was estimated at £1.7bn, which indicates that the sector is as important to the North West's economy as construction, transport, telecommunications, motor and the chemical industries.

In terms of employment, 5% of the region's total workforces are employed in the sector making the region the 2nd largest behind London and the South East and significantly ahead of Yorkshire & Humber and the East Midlands. A total of over 149,000 people are employed across the region and the table below shows the sub regional breakdown. Employment in the sector grew by 29% between 1995 and 2002, with 34,000 new jobs created highlighting the sector's significant growth potential.

Table 3.1 – Sub Regional Creative Industries Employment[24]

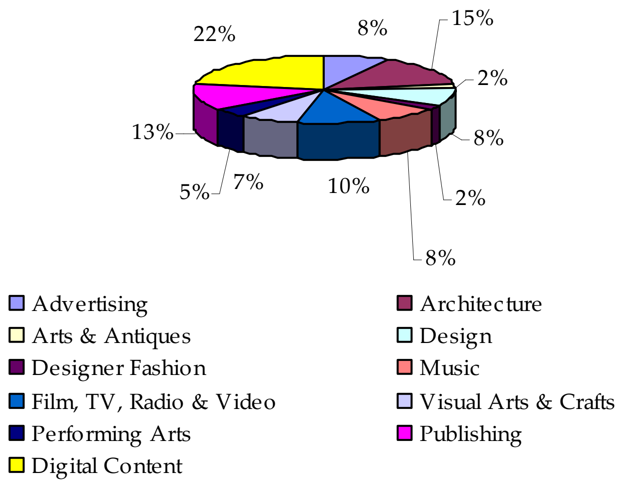
	Cheshire	Cumbria	Greater Manchester	Lancashire	Merseyside	North West
Employment	23,000	8,000	64,000	30,000	24,000	149,000

The sector is expected to continue to grow in the next 8 years with an additional 27,000[25] jobs being created in the sector. This represents an 18% increase over this period.

[22] See Technical Annex for overview of different methodologies
[23] NWDA, Creative Industries Sector Factsheet, March 2005
[24] As above
[25] As above

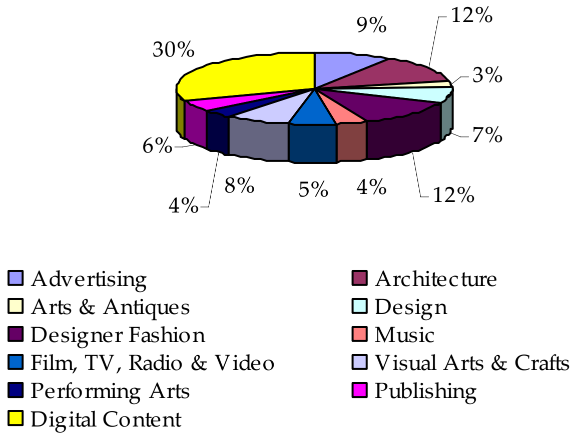
The breakdown by sub sector for the region as a whole is shown below with the highest concentrations of employment within the Digital Content, Architecture, Publishing, Media and Design.

Table 3.2 – Employment by Sub Sector



The total number of businesses in the Creative Industries across the North West is 18,000 in 2003. The vast majority of these businesses employ 10 people or less, 92% which is approximately 17,000 businesses. This reflects that the sector is dominated by small and micro businesses. The largest sector is Digital Content which accounts for 33% of the total number of businesses.

Table 3.3 –Businesses by Sub Sector,



The geographical breakdown follows a similar pattern to employment with the greatest proportion of businesses being based within Greater Manchester accounting for 41% of the total followed by Cheshire with 21.1% and Lancashire with 17.7%.

The dominance of Manchester and Liverpool within the sector is well known, but as part of the development of the Creative Industries Partnerships in Cumbria and Cheshire additional research updating the impact of the sector (using a slightly different methodology) has been undertaken.

Cheshire & Warrington[26]

Employment, both employees and the self employed, within the Cheshire & Warrington local authority districts represents 5.2% and 6.7% of the total employment base. Between 1998 and 2003, the number of employees in Cheshire declined by 7.7% whilst in Warrington it increased by 7.5%.

In Cheshire the Creative Industries contribute £0.66bn to GVA and represents approximately 4.2% of all GVA produced in the county; whilst in Warrington GVA is £0.24bn.

[26] Taylor C, Cheshire & Warrington Creative Industries - Draft 2, February 2005

Cumbria[27]

Cumbrian employment in the Creative Industries represents 2.7% of the total employment base of the sub region with 5055 employees and self employed working in the area; and is approximately 5% of the regional employment. This figure has remained relatively stable, only fluctuating slightly between 1998 and 2002, despite the sub region experiencing economic difficulties.

The Audio Visual and Books & Press sectors represent the largest employers with nearly 85% of all those employed working in these sectors. The Creative Industries contribute 2% to the sub regional GVA, worth £104m to the Cumbrian economy.

3.3 Sector Strengths

The North West has a number of particular strengths within the Creative Industries and the priorities for intervention identified in the NWDA strategy are Media, Music, Designer Fashion, Design and Contemporary Arts.

Broadcasting

The North West is home to a thriving film, TV and radio sector and is second only to London in terms of television production with key operators such as Granada, BBC, Guardian Media Group and Galaxy 102 as well as highly respected independents such as Mersey TV and Red Productions.

Impact of Granada TV

The impact of Granada TVon the regional economy highlighted that it employs 1,112 people directly and generates an additional 2,905 jobs in the region indirectly, generating £106m to the regional economy[28].

The recent announcement by the BBC that it is to transfer between 1,500 - 2000 jobs to Manchester as part of its wider strategy to develop and increase productions outside of London, will have a substantial impact on the regional economy and has the potential of adding in excess of £150m depending on the integration of the local supply chain.

In 2004 the Greater Manchester economy benefited from £30m[29] being added to the economy as it played host to 761 filming days.

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[27] Positive Solutions & University of Leeds School of Performance & Cultural Industries, Cumbria Creative Industries Draft Report, March 2004

[28] MBC, The Regional Impact of Granada TV, 2002

[29] North West Vision Press Release, April 2005

Music

The North West is renowned world wide for its music scene with both Manchester and Liverpool synonymous with youth culture at various points in history. The region continues to reinvent itself in terms of musical direction and styles.

In the City

In the City, the annual international music convention and showcase event, which is held in Manchester is estimated to add over £5.6m[30] to the local economy whilst it is taking place. Nearly 70% of this was accounted for by the public night time events, whilst the main congress generates £1.8m.

Designer Fashion

Building on the strengths of the textile industry, designer fashion is a key sector for the North West with a range of small independent designers and boutiques opening up all across the region offering customers unique, high quality design. Individual designers and companies are at the forefront of incorporating new developments in textiles into design with close linkages with the Technical Textile sector.

Design

The region has been recognised as a growing hotspot for design talent with local agencies such as Love Creative, Magnetic North, Moonfish and Tequila Manchester winning national work. A survey[31] highlighted the growing strengths of Manchester and Liverpool.

Contemporary Visual Arts

The North West has a strong heritage in Contemporary Visual Arts with a range of galleries and workspaces available to develop and showcase innovative work, including Castlefield Gallery and FACT Centre. Panopticons is a project funded through the Arts Council to create six landmarks in the hills of East Lancashire to celebrate the area's regeneration and pride; whilst the Liverpool Biennial is the largest contemporary visual arts event held in the UK. Research is currently underway to map the value of this sector by Arts Council England and the North West has been chosen to study the added value of the sector to the creative industries, heritage, tourism and public realm/regeneration.

3.4 Levels of Investment

To support their development and growth, the Creative Industries sector has received a significant amount of funding from a variety of different sources

[30] nmp, In the City: Economic Evaluation, January 2005

[31] Mad.co.uk, The North – Editorial Focus, March 2004

including Objective 1, ERDF, NWDA, Arts Council and local authorities. This funding has been used to support a variety of projects ranging from capital infrastructure developments such as incubation and managed workspace through to business and professional development support for artists and businesses.

Within the Merseyside Objective 1 programme, the Creative Industries have been identified as priority sector and are recognised as a key driver of change. Since 1994, over £8.5m of Objective 1 funding has been matched by a further £12m from other sources on specific Creative Industries initiatives.

The Objective 2 Programme for North & West Lancashire aims to transform the economy into a 21st century knowledge economy and has supported a range of projects aimed at encouraging entrepreneurialism and innovation particularly within the ICT, Digital, Creative and Environmental sectors. Its total funding package was £12.5m between 2000 and 2006 with over £4.3m invested directly in Creative Industries support projects such as Artech and Preston's FRESH Scheme.

The Watermark Studios, Preston

This renovated building houses commercial design based companies and individual artists. The development hosts 105 new creative businesses, which have started since July 2003. The site has been created as part of the FRESH scheme and received funding from ERDF.

The FRESH scheme is managed by Preston City Council. It provides new businesses and SMEs (based within Objective 2 areas) with the support of Regional Business Advisors, an informative website, networking events and student placement schemes.

NWDA has committed a substantial level of funding to the sector through a variety of projects, including providing £1m towards the establishment of a Regional Attraction Fund run by North West Vision which aims to attract high growth independent film, TV and video producers to the Region and increase existing production and facilities companies.

A wide range of funding partners are involved in the development of the Creative Industries Partnerships, with the level of investment expected to be in the region of £1.4m. The table below provides a breakdown of the funding for these important networks, which will be key to driving forward the growth of the Sector in each of the sub regions.

Table 3.4 – Creative Industries Partnership Funding Sources, 2004/05 – 2006/07[32]

	Cheshire	**Cumbria**	**Lancashire**
	£	**£**	**£**
NWDA	145,000	165,000	144,000
ACE, NW	30,000	35,000	30,000
ERDF			245,000
Local Authority	42,000	80,000	63,000
Universities			126,500
Other	285,700	7,000	45,000
Total	**502,700**	**287,000**	**653,500**

[32] Arts Council England, North West Spreadsheets, 2005

4.0 Arts

- Substantial levels of investment from Local Authorities as well as Arts Council England support a wide range of artistic activities – over £61.5m in 2003 -2004 was invested in the region by local authorities, Arts Council and external funders;
- Numbers employed in the sector: 14,825;
- Number of businesses in the sector: 1,883;
- The Arts sector is an integral part of the wider Creative Industries sector and encourages risk taking and innovation;
- Improving the public realm and environment through arts is a key component of physical regeneration;
- Attendance and participation in arts activities across the region is higher than other Northern regions - 79% of adults have attended an arts event whilst 86% participated in an arts activity;
- Festivals have a significant impact on the economic vitality of their local areas.

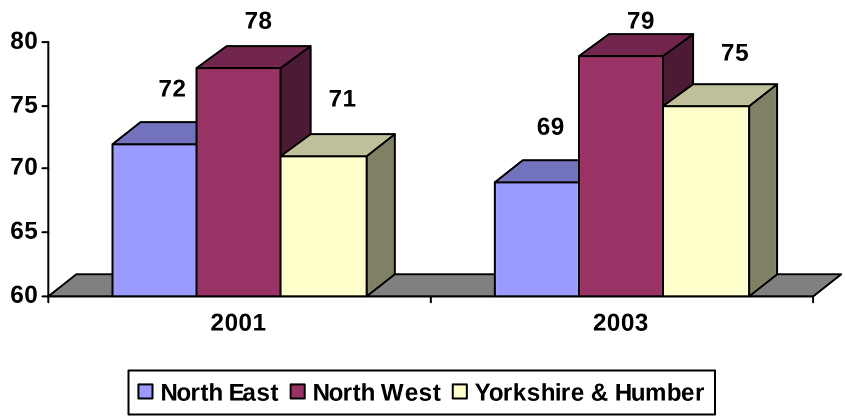
4.1 Overview

The Arts help to renew and transform urban and rural areas, project a positive image to reinforce strong regional brands and counter negative stereotypes, add value to public spaces, environments and buildings and encourage further investment, tourism and employment.

Arts attendance and participation[33] is high in the North West with 79% of adults attending at least one arts event in 2003, a 1% increase from 2001; whilst 86% participated in at least one arts activity during the year, a 2% increase from 2001. When compared to the other northern regions, arts attendance in the North West is consistently higher than either the North East (which has seen a fall in attendance between 2001 and 2003) or Yorkshire & Humber.

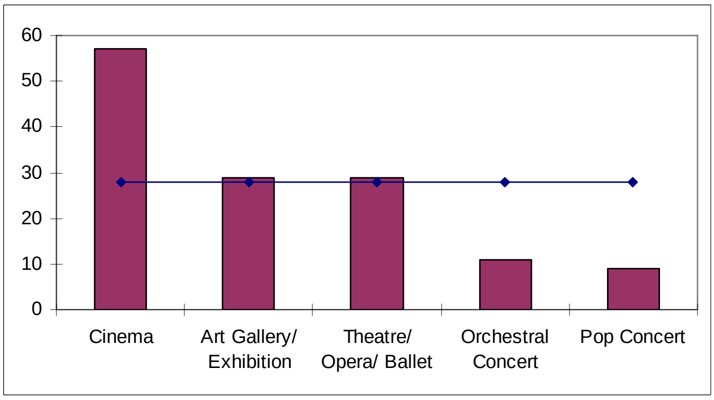
[33] Arts Council England, Arts in England 2003: attendance, participation and attitudes, 2005

Table 4.1 – Arts Attendance by Region[34]



A MORI poll in 2002 found that 57% of adults (over 15) in the region had been at least once to a cinema in the last 12 months, 29% had been to an art gallery or exhibition, 29% to a theatre, an opera and a ballet, 11% an orchestral concert and 9% a pop concert. By comparison, 28% had visited a theme park.

Table 4.2 – Participation in Different Cultural Activities



In the North West, there are increasing examples of arts and culture acting as a key trigger for economic and physical regeneration, both in urban and rural environments.

[34] As above

[35] Arts Council England, North West, Key Facts about Arts in the North West, 2004

[36] Office of National Statistics, Regional Trends 38, 2004

Lowry Arts Centre
The Lowry Arts Centre, which opened in April 2000 attracted over a million visitors in its first year. It is estimated that the Lowry created 6,500 new jobs in the local community, whilst the regeneration of Salford Quays as a whole created 11,000 new jobs. As well as the cultural amenities, there has been a £90m commercial and retail development[37].

Ulverston, Cumbria
This town experienced decline during the 1980's and 1990's and was also hit by the Foot and Mouth outbreak in 2001/02. In order to re-brand the town Ulverston 2000+ was established in 1997 focussing on the cultural and artistic traditions existing in the area. The theme adopted was of a 'Festival Town' with 13 festivals and events taking place. The re-branding resulted in more visitors and higher visitor spend contributing to economic development in the area. Local artists have been supported through a range of initiatives including subsidised studios and the development of craft galleries and public space.

4.2 Economic Impact

The arts sector is part of the wider creative industries sector and there is often a significant amount of cross over between the commercial and non commercial sectors.

The number of arts businesses in the North West in 2003 was 1,883 with twice as many visual arts and crafts businesses than arts and antiques businesses and performing arts businesses. The table below shows the number of arts businesses for the North West broken down into the five sub-regions.

Table 4.3 – Number of businesses by sub region and sector[38]

	North West	Greater Manchester	Lancashire	Merseyside	Cheshire	Cumbria
Total number of businesses	1,883	716	371	321	309	164
Arts and antiques	378	134	84	64	62	34
Visual arts and crafts	1,011	383	203	171	161	92

[37] Arts Council England, North West, The Impact of the Arts: some research evidence, 2004.
[38] Regional Intelligence Unit, *Benchmarking Employment in Cultural Industries*, 2003

Performing arts	494	199	84	86	86	38

Of the five sub-regions the highest numbers of businesses in each sub sector can be found in Greater Manchester, with 716 businesses representing 40% of the regional total which is nearly twice the figure for any of the other sub regions. Cumbria has the smallest business base with 164 businesses accounting for only 9% of all arts businesses in the North West.

The number of people employed in the North West in 2003 was 14,825, with over half the people are employed in visual arts and crafts. The table below shows the number of people in employment in the arts for the North West broken down into the five sub-regions.

Table 4.4 – Numbers employed by sub region and sector[39]

	North West	Greater Manchester	Lancashire	Merseyside	Cheshire	Cumbria
Total employment	14,825	6,309	2,805	2,564	2,054	1,095
Arts and antiques	2,197	846	354	428	422	147
Visual arts and crafts	7,563	3,205	1,473	1,308	989	588
Performing arts	5,065	2,258	978	828	643	360

Similarly, Greater Manchester accounts for 43% of the total employment across the region whilst Cumbria is again the lowest with 1,095 employed, accounting for only 7% of all arts employment in the North West.

4.3 Levels of Funding

Funding for the Arts is provided primarily through local authorities and the Arts Council. In 2003 – 2004, more than £61.5m[40] has been invested across the region in the arts by local authorities, Arts Council and external funding.

[39] As above

[40] Arts Council England, North West, Unpublished Figures, 2005

[41] Arts Council England, LA Expenditure on Art 2002/03, 2005 – a survey of local authority expenditure in England

Table 4.5 – Levels of Spend and Investment in the Sector

	£m
Local Authorities	
- total spend by local authorities[a]	28.9
- total investment through local authorities[b]	61.5
National Lottery[c]	7.8
Business Sponsorship[d]	3.8

a – for 2003/04, Arts Council England, North West, Unpublished Figures
b –for 2003/04, Arts Council England, North West, Unpublished Figures (includes local authority spend, ACE NW & external funding)
c – for 2002/03, Arts Council England, Annual Review 2003, 2004
d – for 2002/03, Arts and Business, Business Sponsorship of the Arts 2000-03, 2004

Arts Council England, North West supports approximately 150 organisations across the region and investment for the next three years is £64.6m, which represents an overall increase of 7.7%.

4.4 Festivals

The North West has a number of well established relatively large festivals as well as a whole range of smaller community based festivals. These all have a significant impact on the regional economy, promote a positive and dynamic image, attract visitors from both within the region and outwit, build community cohesion and celebrate diversity[42].

At thirty one years old the **Preston Caribbean Carnival** is one of the oldest and most popular of its type. The benefits of the Festival include increased self esteem and pride in individuals with regards to themselves, their city and each other. There are also benefits for businesses and the City adding at least £55,000 net to the local economy[43].

The first biennial **Manchester International Festival** is due to take place in 2007. The festival is based on the premise of creating and promoting new artistic products and showcasing Manchester as an innovative and creative city to the world. An Economic Impact Study considered two scenarios, a smaller festival costing £2-3m and a larger festival costing £4-5m[44].

[42] Leeds Metropolitan University, Preston Mela 2003, An Economic and Social Impact Study paper.
[43] Comedia, An Economic and Social Impact Assessment of Preston Caribbean Carnival, August 2004.
[44] Cambridge Policy Consultants, Economic Impact Study of the Proposed Manchester International Festival Draft Report, May 2005.

Table 4.6 – Potential Impact of Manchester International Festival

	Small		Large	
	Initial	**Mature**	**Initial**	**Mature**
Gross Economic Impact (Value) £m	7.8	10.7	22.0	33.7
Net Economic Impact (Value) £m	6.6	8.8	19.1	28.8

It is anticipated that the local economy will benefit to the extent of £19.1m in the first year and once established the Festival is expected to contribute £28.8m to the local economy.

The festivals and shows funded through the Rural Regeneration Cumbria 2004/05 programme generated some 110,000 bed nights in local hotels (220,000), spend in the local economy is estimated at £2.4m and visitors spend is estimated at £7m. The number of jobs created/ sustained is estimated at 392.

Voluntary efforts are fundamental to the success of festivals/ carnivals and this also needs to be considered when evaluating the economic benefits brought about. The Cumbria study alone found the number of volunteers in the 25 shows and festivals totalled 1720 which amounts to 0.5% of the working age population of the County.

4.5 Contribution of Arts to social inclusion and healthier lifestyles

The contribution of arts to improving the health and wellbeing, both physical and mental, of individuals and communities has long been recognised and the North West, through the Arts Council England, North West and Public Health North West, are leading this work with examples of many innovative practices occurring across the whole region.

The arts can help to deliver a wide range of healthcare, social and welfare policies and targets including amongst others: involving the public in influencing service provision, reducing vandalism and staff turnover by designing better environments, techniques for patients to express their experiences, supporting the isolated and most marginalised members of society.

Halton Arts for Health – Beginning with C

In 2003, Halton Arts for Health, Halton Primary Care Trust, Widnes & Runcorn Cancer Support Group, North Cheshire Hospitals NHS Trust and Halton Borough Council's Arts Development Team embarked on a collaborative journey to create visual artworks, which raise awareness of the individual's experience of cancer.

Photographer Malcolm Glover and textile artist Karen Woods worked with people to express the emotional impact of a cancer experience through creating inspiring panoramic photographs and a sensitive series of textile pieces to translate an individuals' cancer journeys.

The subsequence conference brought together participants, artists, healthcare staff and support groups. Beginning with C also delivered high quality training for healthcare professionals.

DAWN Arts

Culture and heritage are vital mechanisms for community engagement and DAWN Arts has been set up to benefit residents from the Oldham and Rochdale Housing Market Renewal Pathfinder. The Scheme engages residents in the regeneration process, facilitating creative input into design and underpinning a sense of ownership and belonging in the area.

DAWN Arts offers residents the opportunity to celebrate the past, reflect on the present and build a positive future for their neighbourhood. It is being developed through a wide range of community agencies, English Heritage, social landlords, residents and schools.

5.0 Museums, Libraries & Archives

- There are over a 160 museums and galleries in the region;
- Visitor numbers to North West registered museums has increased by over 30% since 1995;
- The sector is a significant employer and has seen substantial growth in recent years – over 12,000 people work in the sector across the region;
- Over £450m has been invested in the sector;
- Museums, libraries and archives directly benefit the region's economic and social renaissance; attracting visitors and increasing the cultural offer as well as providing opportunities to access learning and training for local communities.

5.1 Overview

The North West is endowed with a wide range, in breadth and depth, of museums, libraries and archives (MLAs) housing significant collections and assets of regional, national and international significance. The region has more nationally-funded museums than any other region outside London[45]. These assets provide a wide range of economic, educational, cultural and social benefits and make a significant contribution to the economic and social fabric of life in the North West.

Their contribution to the renaissance of the region particularly as part of wider regeneration strategies, which has been particularly apparent in both Manchester and Liverpool, has been substantial. Investing in the cultural infrastructure and developing a 'cultural offer' to generate an attractive location, of which Museums, Libraries and Archives are an important component, helps to attract people and investment to the region.

5.2 Economic Impact of the Sector

Within the North West, this sector is a significant employer and makes a substantial contribution to the economy, with employment growing and substantial levels of investment being undertaken across the sector.

Table 5.1 – Levels of Employment in the Museums, Libraries & Archives Sector

	1999	2003	% growth

[45] L&R Consulting, Evidence Towards a Regional Strategy for Museums & Galleries in England's Northwest

Museum Activities & Preservation of Buildings	2450	2880	17.6
Library and Archive Activities	4490	5200	15.8
Employed out with the Sector[a]		4188	
Total		12268	

a – based on % of national figure
Source: Council for Museums, Libraries & Archives

The growth in employment levels over this period reflects the increasing importance of MLAs in delivering the renaissance agenda, in addition to new facilities and services opening.

A recent impact study[46] undertaken for MLA Northwest highlighted the impact of the museums sector across the North West. With over 160 museums and galleries across the NW, in excess of 8.2m visited NW registered museums and 1.5m educational visits each year. Visitor numbers have increased by 30% since 1995.

Due to the variety of museums across the North West, a typology of broad types of museums was developed to illustrate the economic impact of the North West Museums. Table 6.2 shows the typical economic impact of the different types of museums.

Table 5.2 – Scale and Nature of Impacts

North West Museum Type	Example Profile	Annual Economic Impacts
Local Authority – small non Metropolitan Managed by the LA museums service, with a small core staff. Typically in non-metropolitan areas but may also be found in metropolitan districts	Visitors: 30,000 Annual Income: £230,000 Visitor Spend: £377,900 Employs: 12 FTE	Direct expenditure: £607,000 supporting approx 16.7 FTE Indirect expenditure up to £304,000, supporting up to 3.8 FTE Up to £912K regional income
Independent Outside the framework of local and central government control, typically run as a small charitable trust or company, operated by volunteers and/or small core staff	Visitors: 103,000 Annual Income: £381,000 Visitor Spend: £619,000 Employs: 24 FTE	Direct expenditure: £1,050,000 supporting approx 32 FTE Indirect expenditure up to £525,000, supporting up to 6.6 FTE Up to £1.6m regional income
Local Authority – medium Metropolitan Managed by the Local Authority and typically located in or near the centre of a Metropolitan district	Visitors: 232,000 Annual Income: £1,500,000 Visitor Spend: £1,355,000 Employs: 41 FTE	Direct expenditure: £2,855,000 supporting approx 16.9 FTE Indirect expenditure up to £1,442,500, supporting approx 18 FTE Up to £4.3m regional income

[46] Regeneris, North West Museums Impact – a report for MLA North West, 2004

Local Authority – large Metropolitan Managed by the Local Authority museums service, with a larger core staff. Typically located within Metropolitan districts	Visitors: 336,000 Annual Income: £4,900,000 Visitor Spend: £3,183,000 Employs: 90 FTE	Direct expenditure: £8,083,000 supporting approx 129.8 FTE Indirect expenditure up to £4,042,000, supporting up to 50.5 FTE Up to £12m regional income
Large Independents Outside the framework of local and central government control, typically run as a charitable trust or company. Likely to have a larger staff and well developed commercial operations.	Visitors: 530,000 Annual Income: £2,810,000 Visitor Spend: £5,200,000 Employs: 66 FTE	Direct expenditure: £8,010,000 supporting approx 131 FTE Indirect expenditure up to £4,005,000, supporting up to 50.1 FTE Up to £12m regional income

MLA North West, in association with Bolton MBC, is currently undertaking a unique project of national significance to measure the economic impact of the museums, libraries and archives run by the local authority. This study is using an adapted version of the Contingent Valuation methodology utilised by the British Library. As part of the study a toolkit will be developed to enable other organisations to undertake similar studies. The study is still in its early stages and at the time of preparing this report no further information is available.

5.3 Levels of Investment

There has been a significant level of investment in museums, libraries and archives over recent years, reflected in the level of investment and expenditure shown in the table below, which equates to in excess of £450m.

Table 5.3 – Levels of Investment and Expenditure across the Sector

	£m
Museums	
- National Museums[a]	22.0
- New Opportunities Fund[b]	1.5
- Lottery Funding[c]	340.0
- Renaissance in the Regions[d]	2.46
Libraries[e]	
- public expenditure	80.0
Archives[f]	
- 2003/04 revenue expenditure	4.0
- 2003/04 income	0.8

a – Funding from central government
b – Funds made available to support digitisation
c – Lottery funding to regional museums between 1995 and 2004
d – MLA funding for regional museums

e – MLA North West: figure for 2001
f – North West Archives Performance Statistics

5.4 Wider Impacts of the Sector

As well as their contribution to economic renaissance, Museums, Libraries and Archives also make an extensive contribution to learning and have placed innovative methods of learning and skills enhancement at the heart of their remit.

Smaller local libraries and museums based in the heart of a community offer a vital service to their local residents providing access to learning opportunities, ICT and signposting to advice and further information on local services. This is particularly relevant for hard to reach and disengaged communities.

Through the People's Network, a £120m lottery funded programme, ICT learning centres are being established in all UK public libraries. Access to the internet is provided in all libraries ensuring valuable access to online learning resources and local community information is available to all.

Wythenshawe Forum

Wythenshawe Forum is an exemplary project highlighting how libraries, education, health and leisure facilities can be housed in one building and provide the community with a one stop shop for a variety of services. The centre was redeveloped and received £19m of funding from public and private sources.

The library provides a range of online services and training aimed at a wide variety of target groups including young people, single mothers and the long term unemployed; giving them the opportunity to develop new skills and confidence.

The forum incorporates a leisure centre, library, adult learning centre and childcare facilities within one facility. A new health centre is due to open in 2006 on the same site. The centre promotes and integrates social, educational, and health agendas and was part of the wider regeneration initiatives undertaken to improve access to employment for this deprived community.

6.0 Sport and Physical Activity

- GVA for the sector is estimated to be 1.5%;
- 1.75% of the region's workforce are employed in the Sports related activities;
- Volunteers play an important role and contribute an estimated £425m;
- 6,100 jobs and over £600m of public and private sector investment was levered in as a result of the Commonwealth Games in 2002; providing a significant boost to the long term regeneration of East Manchester with rising land values and investor confidence;
- Sports events showcase the region to a wide audience, attracting visitors and contribute to the overall image of the region;
- Sports plays a catalytic role in the regeneration of deprived areas and communities; it is anticipated that up to 10,000 jobs will be created in East Manchester through major developments established on the back of the developments undertaken for the Commonwealth Games.

6.1 Overview

Sporting activities provide enjoyment for millions of participants and spectators. The sector is not purely concerned with entertainment but plays a key role in improving the health of population, tackling social exclusion, and stimulating economic regeneration.

The North West has a diverse and vibrant sporting life, there are a number of world class sporting facilities including the largest multipurpose indoor entertainment and sports arena in Europe (MEN Arena), the Greater Manchester Exhibition and Event (G-MEX) Centre, the national cycling, squash/ and indoor tennis centres, and several football stadia capable of hosting major national and international fixtures.

'High-profile' sports events and other sport-related activities attracted 275,000 people and £28m into the region from elsewhere. The North West is more successful than other Northern regions in attracting visitors from the UK to these high profile events but is significantly behind London and the South West.[47]

There is a concentration of businesses in the North West that gives the region a competitive advantage[48] in sport over other regions. The sports cluster is supported by NWDA and cluster development activities include facilitating information

[47] Cambridge Econometrics, The Value of the Sports Economy in the Regions in 2000: The Case of the North West, 2003

[48] Chamber Business Enterprises, 2002

sharing between the different industry sub sectors in the region, along with knowledge transfer and strategic planning.

6.2 Economic Impact of Sport

There are 49,500 people employed in sports-related activities in the North West, some 1.75% of all employment in the region. The breakdown of employment within the Sector is: 22,400 of these jobs are in the Commercial Non-Sport sector and 16,800 people are employed in Commercial Sport (including 6,000 in spectator sport, 4,000 in retailing, 4,000 in participation sports activities and just 700 in sports-related suppliers)[49]

Sport generates £3bn in turnover and £1.1bn in value-added in the region per annum which accounts for about 1.5% of the region's economy

The table below summarises the level of income from, and expenditure on, sport in the North West in 2000. Households in the region spent around £1.6bn on sport-related goods and activities, while employment in the sports sector generated around £953m in disposable income (i.e. income after taxes and other deductions).

Table 6.1 – Sport Related Income and Expenditure in Northwest, 2000

	Income (£m)	**Current Expenditure (£m)**	**Capital Expenditure (£m)**
Households	675	1560	-
Commercial sport of which	977	1039	44
Spectator sports	216	209	15
Participation sports	119	119	12
Media and distribution	469	71	8
Sport-related suppliers	48	42	3
Commercial non-sport	621	-	-
Voluntary sector	427	193	15
Local Government	157	173	9
Overseas	269	84	1

Source(s): Cambridge Econometrics.

[49] Cambridge Econometrics, The Value of the Sports Economy in the Regions in 2000: The Case of the North West, 2003.

Commercial sport in the region received income totalling just under £1bn, with media and distribution receiving nearly 50% of total income. Income received by participation sports activities in the private sector (e.g. gyms) is £120m in the North West.

Volunteers play an important role in the sports economy providing ticketing, stewarding, coaching and security for a variety of sports events and clubs worth around £425m.

Government funding, both from central and local government is provided to the Sports sector – around £10m is provided directly to Sport England in the region and a further £86m from a range of grants including grant support for local authority spending on sports services and sport-related costs of education.

The table below shows the number of sport businesses and people in employment for the North West broken down into the five sub-regions.

Table 6.2 – Number of Businesses & Employees in the Sector[50]

	North West	Greater Manchester	Lancashire	Merseyside	Cheshire	Cumbria
Number of businesses	3,641	1,225	740	740	580	356
Level of employment	42,730	14,795	10,290	8,472	6,685	2,488

The number of businesses in the North West is 3,641 and of the five sub-regions the highest numbers of businesses in each category can be found in Greater Manchester. Here the total number of businesses at 1,225 is 34% of the total number of businesses in the North West and more than 1.5 times the figure for any other area. The lowest figure is in Cumbria at 356 accounting for only 10% of all sports businesses in the North West. The level of sports employment follows a similar pattern with the highest numbers in Greater Manchester with 35% of the total number in the North West; whilst Cumbria has the lowest at 6%.

[50] Regional Intelligence Unit, *Benchmarking Employment in Cultural Industries*, 2003

6.3 Contribution of Sport to tourism, healthier lifestyles, community regeneration and infrastructure development

It is important to recognise that sport benefits the economy in many other ways including tourism, infrastructure development and community regeneration and health and well-being.

Tourism

In 2000 the number of tourists visiting the North West for sport-related purposes accounted for 8% of the total for England. Total spending by tourists on sport and associated accommodation in the North West was greater than in other northern regions, but much lower than the figure for London.

The number of day tourists visiting the North West to watch sporting events in 2000 was 450,000, around 10% of the total for England. Spending on admissions by these visitors was around £11m, again around 10% of the total for England[51].

The areas of outstanding natural beauty across the region provide a high quality environment for outdoor sporting pursuits. Walking, hiking and water sports are key activities and an important part of the rural tourism offer across the North West.

Infrastructure Development and Community Regeneration

Sport has played an important role in encouraging many large infrastructure developments in the North West over the last few years. These have included the construction of the stadia for both Bolton Wanderers (Reebok Stadium) and Wigan Athletic (JJB Stadium) football clubs, and the Bolton Arena.

The construction of the City of Manchester stadium was a key regional project which came about through the 2002 Commonwealth Games and is now the home of Manchester City FC. Other Commonwealth Games-related developments include the Manchester Aquatics Centre, the National Squash Centre and facilities at Salford Quays. These projects have provided many jobs (both during the construction and operational phases) with effects spreading through to the local and regional economy.

[51]The Value of the Sports Economy in the Regions in 2000: The Case of the North West, Cambridge Econometrics, 2004.

Improving sports facilities, and hosting major sporting events, can modernise an area's image and improve local self-esteem. Such benefits are often intangible, but their knock-on effects can be substantial.

The Commonwealth Games, Manchester

The hosting of the Commonwealth Games in Manchester has seen the regeneration of different parts of the City but especially East Manchester which is the location of the new City of Lights Stadium. The long-term decline of heavy engineering had left East Manchester as one of the most deprived parts of the UK. The aim of the Games was to use a major sports event to bring investment into the area and to establish a new town centre. The plans included the creation of the North Manchester Business Park, along with a number of mixed-use commercial, office, leisure and residential developments.

The impact and legacy of the Games included Manchester securing more than £600m of public and private investment, and the generation of 6,100 full-time-equivalent jobs, a figure comparable to the successful Olympics hosted by Sydney in 2000 and Barcelona in 1992. Manchester's profile was raised both nationally and internationally potentially resulting in an extra 300,000 tourists each year and further improving Manchester's standing as a business centre.

The benefits of the Games included 16,000 temporary and permanent positions. It is believed that the extra benefits created were mainly due to the City Council in Manchester successfully integrating the Games into the regeneration of East Manchester and the wider city.

Reebok Stadium, Bolton

The development of the Reebok Stadium in Bolton is another example of sport contributing to the regeneration of an area although on a smaller scale. The stadium is set within an out-of-town retail and leisure park, which includes a cinema multiplex, a bowling alley, several restaurants, two hotels and the new national indoor tennis centre.

Health and Well Being

Sport is one way in which social exclusion can be tackled. Important evidence suggests that participating in sporting activities increases people's sense of integration into their local community, in both urban and rural areas.

Young men aged 17-25 are responsible for a large proportion of all criminal activity and anti-social behaviour, inconveniencing people, blighting neighbourhoods and accounting for massive amounts of police time and public money. Evidence from across the country shows that sport reduces the chances of young people slipping into lives of crime. There is a reduced risk of a person re-offending if they can be encouraged to participate in sport.

The contribution of sport to improving the health and wellbeing, both physical and mental, of individuals and communities has long been recognised. Too many people are now leading comparatively sedentary lives compared to the past. One study has showed that 91 per cent of young women (and 70 per cent of young men) are falling below the activity levels which are compatible with a fit and healthy lifestyle. Similarly, other research has shown that many children have worryingly low levels of fitness. By keeping people fit and healthy, sport is a form of preventive medicine significantly reducing the burdens on the National Health Service[52].

To ensure that residents of Manchester, particularly East Manchester, benefited from the world class facilities developed for the Commonwealth Games, a Sports Action Zone (SAZ) was established to encourage children and teenagers to take part in sport and co-ordinate the wide range of health and sports activities taking place in the area.

[52] The Value of Sport, Sport England, 2005

7.0 Heritage

- Levels of Investment over the last ten years has been over £545m;
- Numbers employed: 9,629;
- Number of businesses: 1,027;
- Heritage and the Historic Environment are integral components of the visitor offer;
- Contribution to the creation of a distinctive identity and high quality environment adding value to the regeneration of towns and cities;
- Employment is substantial higher when volunteers are included.

7.1 Overview

Heritage and the Historic Environment of the region make a significant contribution to the regional economy in that it offers a distinctive image and identity, makes a substantial contribution to the tourist economy and adds value to the regeneration of towns and cities by making them more attractive to live and work.

The historic environment adds value to the regional economy in a number of ways:

- Historic towns and landscapes provide a high quality environment attractive to tourists and investors;
- Redeveloping and reusing historic buildings maintains and adds to the distinctive identity and contributes to sustainable development;
- Skilled employment opportunities are created through the repair and renovation of these buildings; and
- The historic environment and townscapes provide a valuable learning tool for children and adults.

The North West contains two sites on the list of world heritage sites maintained by UNESCO: Hadrian's Wall and Liverpool Maritime and Mercantile City; which reflect the vast array of heritage townscapes and landscapes across the region. The breadth and range of these are detailed in Table 7.1 below.

Table 7.1 – Variety of Historic Assets across the Region[53]

	Cheshire	Cumbria	Greater Manchester	Lancashire	Merseyside	North West
Scheduled	241	847	44	139	38	1,309

[53] English Heritage, Heritage Counts 2004: the state of the North West's Historic Environment, 2004

Monuments						
Listed Buildings	5,646	7,681	3,841	5,516	3,000	25,684
Parks & Gardens	24	19	29	35	22	129
Conservation Areas	197	115	206	190	100	808

7.2 Economic Impact of Heritage

There is a lack of statistics currently available to demonstrate the value as a whole of the historic environment to the economic performance of the region. The historic environment is a major component of the overall tourism offer for the region and research undertaken by the National Trust showed that in Cumbria, the quality of the natural and built heritage environment motivates and sustains nearly 60% of the county's tourism economy, which is equivalent to 15,000 FTE.

The National Trust in the North West cares for 72 properties across the Region and during 2003/04, 777,348 visitors were recorded at its pay to entry properties, which was a 4.3% increase on the previous year. The total number of visitors is vastly higher as many of the properties in National Trust care are open sites with no admission price or visitor counts.

The number of businesses and employment in the Heritage sector was calculated as part of the Benchmarking Employment in the Cultural Industries Study and these figures are shown in Table 7.2. According to these statistics, Greater Manchester is by far the biggest sub region in terms of employment with 31.5% of total employees, and number of businesses with 37.9% of the regional total.

Table 7.2 – Number of Businesses and Employees

	Cheshire	Cumbria	Greater Manchester	Lancashire	Merseyside	North West
Businesses	169	113	360	208	176	1,027
Employment	1,768	972	3,042	1,857	1,990	9,629

Volunteers play a significant role in the heritage sector:

- National Trust has over 2,500 volunteers in the North West;
- In 2003 they contributed a total of 219.344 hours of time;
- Estimated to be worth £987,000.

In terms of levels of investment, a total of £545m has been invested in heritage projects across the North West between 1994 – 2004, which includes £324.8m from the Heritage Lottery Fund. The breakdown of investment by sub region is shown in Table 7.3 below. In 2003/04, English Heritage provided an additional £3.22m of investment through its grant support to the historic environment.

Table 7.3 – Heritage Lottery Fund Investments

	Cheshire	Cumbria	Greater Manchester	Lancashire	Merseyside	North West
No of projects	209	247	440	266	242	1,404
Investment £m	21.53	31.80	127.65	49.89	93.97	324.8

A Heritage Investment Strategy has been produced for Merseyside, which identifies in excess of 90 different heritage projects with an estimated funding cost of £553m (only includes those with costs identified) ranging from conservation, preservation, reinterpretation and redevelopment of buildings and historic sites, new museums and coastal and natural assets. These have been ranked and prioritised according to their economic impact and heritage merit.

7.2 Wider Impact of Heritage

The important role volunteers play within the Heritage sector has been already mentioned but volunteering not only has an economic contribution, which can be measured, it also has a social value. Volunteering helps individuals to realise their full potential, contribute to their communities and develop life skills, which leads to increased confidence and feelings of self worth. For individuals who have been disengaged from the labour market, volunteering provides an alternative route back into the labour market.

The heritage sector makes a valuable contribution to improving the levels of skills across the Region as well engaging residents and the local communities. The case studies provided below are examples of how heritage is engaging local communities and providing educational and learning opportunities in a rich and varied environment across the North West.

Wordsworth Trust Collections Centre, Cumbria

The Wordsworth Trust exists to be a living memorial to the life and poetry of William Wordsworth and his contemporise. The trust is based at Dove Cottage in Grasmere, Cumbria and has been offering NVQs in heritage since their introduction in the early 1990s. During this time 13 people achieved full qualifications at levels 2 and 3 (Heritage Care and Visitor Services, Cultural Heritage Operations) with many more completing one or two units. Many of these have gone on to careers in the heritage sector e.g. the Tate Gallery, Fitzwilliam Museum, British Museum. Two qualifiers were subsequently employed by the Wordsworth Trust and now act as NVQ assessors.

The Wordsworth Trust has also acted as an assessment centre for 6 other museums and galleries in the Region. According to the staff at the Wordsworth Trust, the NVQ has proved useful in the training of their staff and volunteers. The framework also allows them to develop their training programme and since the 1970s around 300 people have gained work experience there.

Monastery of St Francis at Gorton, Manchester

The Roman Catholic Church and monastery of St Francis of Assisi was for many decades the centre of religious and social life in Gorton. Designed by E W Pugin and built between 1863 and 1872, the church fell into disuse in 1989. In 1996 the Monastery of St Francis and Gorton Trust was established with the aim of saving the church and turning it once more into the focus of community life and the economic regeneration of Gorton, East Manchester.

Following the announcement in 2002 of the award of grant by the HLF, NWDA and English Heritage for repair of the church, English Heritage has worked with the Trust to pilot the development of an exemplary access and craft skills training scheme to run during the life of the building refurbishment contract. It is hoped that public access will be permitted to the site for periods during the repair phase so people can see close at hand craft skills in operation. The plans include work space for local community and social enterprises, space for community organisations and a tourist and cultural visitor centre.

8.0 The Visitor Economy

- Tourists consume goods and services worth £7.4bn in the North West;
- Tourism GVA: £2.75bn equating to 3.3% of regional economy;
- Visitors to the region increased by 4% between 2002 and 2003;
- Numbers employed: nearly 200,000 with 134,000 dependent directly on the sector;
- Number of businesses: 17,500 within the sector.
- Cultural attractions, whether they are iconic buildings, museums, art galleries, stately homes, leisure attractions or the fantastic natural heritage, such as the Lake District, Tate Liverpool, Blackpool Pleasure Beach or the historic cities of Chester and Lancaster, are key to attracting visitors to the region;
- Cultural events attract visitors and revenue and raise the profile of the region: during 2004/05 12 major events supported by the NWDA generated almost £16m of benefit to the regional economy and were attended by over 700,000 visitors. They provided 125,000 visitor bednights and secured 13.5 hours of national TV coverage.

8.1 Overview

It is estimated that each year around 18 million[54] people visit England's Northwest and consume £7.4bn[55] worth of goods and services, contributing almost £2.75bn, to the region's economy; representing 3.3% of GVA. The tourism sector is a significant employer, providing a job for one in every ten people across the region. Tourism also affects other areas of the economy including entertainment venues, food producers and transport operators.

Tourism is important to the region's image and in informing external perceptions. High quality cultural attractions and assets are essential pre-requisites for attracting visitors from the rest of the UK and overseas. A wide range of cultural assets are used to promote and form the image and perception of the North West to visitors. The visitor economy is highly dependent on a critical mass of large and smaller scale cultural assets and attractions ensuring that they have a variety of assets to visit whilst they are in the region.

The Strategy for Tourism in England's Northwest has identified several assets, which it feels are vital to the future of tourism in the region. These are the cities and natural

[54] Northwest Development Agency, The Strategy for Tourism in England's Northwest, June 2003

[55] First Steps, Regional Tourism Satellite Accounts Draft Report for NWDA (unpublished) 2005

[56] Arts Council England, North West, Cream of the Crop: Case Studies in Good Practice in Rural Areas of the North West of England, 2004

resources, including the Lake District; a world famous golf and football offer; outstanding cultural attractions; a 'hub' location with rapidly expanding airports; Blackpool – Britain's top seaside resort and an impressive Roman and industrial heritage. Four star brands are identified which require the most focus; these are Liverpool, Manchester, Chester and the Lake District.

8.2 Economic Impact

The performance of tourism in the region has been found to be variable, with strong and high quality brands and products partnered with other products which are often poor and declining.[57] The region does not capture its share of tourism expenditure within in England. In 2003, the North West's share of total tourism expenditure was £3.27bn or 10.5%, compared to its share of the population which is 13.6%.

The North West does relatively well in capturing UK visitor tourism with 13% of England's total but is relatively poor in capturing international tourism with only 5.95% of total international tourism

The report found that Scotland could be an aspirational comparator for the North West region, where GVA is 5.7% compared to 3.3% in the North West.

The table below shows the total number of visitors across the whole of the region as well as for each sub region.

Table 8.1 – Total Number of Visitors, 2002 - 2003[58]

	2002 (m)	2003 (m)	% change
Cheshire & Warrington	36.21	37.52	4
Cumbria	15.09	15.46	2.5
Greater Manchester	84.70	89.00	5
Lancashire & Blackpool	60.51	60.76	0
Merseyside	53.21	56.91	7
North West	**249.722**	**259.663**	**4**

The number of visitors to the region and the individual sub regions grew between 2002 and 2003 except for Lancashire & Blackpool which remained almost static. The

[57] Regeneris, Economic Baseline Issues Report for NWDA, March 2005

[58] Steam Report 2003 – NW, Merseyside, Cumbria, Cheshire & Warrington, Lancashire & Blackpool, Greater Manchester; Sourced from NW RIU Website

largest increase in visitor numbers was experienced by Merseyside who saw a 7% growth.

Table 8.2 – Number of Tourism Businesses and Levels of Employment, 2003[59]

	Cheshire	Cumbria	Greater Manchester	Lancashire	Merseyside	North West
Businesses	2,433	2,091	6,303	3,864	2,766	17,467
Employment	31,106	23,406	65,750	47,828	25,781	193,871,

* Figures exclude heritage & sport

The tables above illustrates that within the North West region as a whole in 2003, there were 17,467 tourism related businesses. When the figures are broken down by sub region, the area with the greatest concentration of businesses can be found in Greater Manchester. Merseyside, Cheshire and Cumbria have similar levels of tourism related businesses at 2,766, 2,433 and 2,091 respectively.

In 2003, there were 193,871 people employed in tourism related industries (excluding heritage & sport). The Regional Tourism Satellite Accounts estimate that there are 134,000[60] total tourism dependent jobs. The sub region with the most number of people employed in the tourism sector is Greater Manchester with 65,750 employed. This figure reflects the fact that Greater Manchester is also home to the largest number of tourism related businesses (6,303) in the sub region. The sub region with the lowest numbers of people employed in the tourism sector is Cumbria, 23,406.

The top ten visitor attractions in the Northwest region are shown in the table below. Six of these attractions are classified as 'free'; the paid attractions are Windermere Lake Cruises, Chester Zoo, Tatton Park and Mersey Ferries. The selection illustrates a good mix of representation of attractions spread amongst the sub region, with three of the ten attractions to be found in Cheshire (Chester Zoo, Chester Cathedral and Tatton Park). Greater Manchester is slightly under represented with only one attraction in the top ten, the Lowry with 810,200 visitors.

Many attractions in the top ten are not, as might be expected, located in major urban centres in the North West, for example Blackpool Pleasure Beach and Windermere Lake Cruises.

Table 8.3 – Top Ten Visitor Attractions in the North West region

[59] Regional Intelligence Unit, *Benchmarking Employment in Cultural Industries – NW Bulletin*, 2003

[60] First Steps, Regional Tourism Satellite Accounts Draft Report for NWDA (unpublished) 2005

	Sub region	Numbers
Blackpool Pleasure Beach	Lancashire	5,737,000
Albert Dock	Merseyside	4,200,000
Pleasureland Theme Park	Merseyside	2,200,000
Windermere Lake Cruises	Cumbria	1,289,866
Oswaldtwistle Mills Shopping Village	Lancashire	1,200,000
Chester Zoo	Cheshire	1,082,127
The Lowry	Greater Manchester	810,200
Chester Cathedral	Cheshire	800,000
Tatton Park	Cheshire	750,000
Mersey Ferries	Merseyside	626,737

a The attractions listed are a combination of both free and paid
b Visitor numbers are taken from 2003 and 2004, in accordance with information made available
c The only attraction in the top ten where information has been taken from 2002 is The Lowry

The information below illustrates that expenditure on tourism within the region has increased in all categories from 2002 to 2003. The main focus of tourism related spend is on accommodation, with the second largest on food & drink, £1,257.4m and £1,226.1m respectively in 2003. Percentage change in these types of expenditure has remained similar at around 4 or 5%. When revenue is illustrated by category of visitor the largest percentage change is through serviced accommodation, which rose to £2,846.8m in 2003, an increase of 6%.

Table 8.4 - Analysis by Sector of Expenditure

	2002 (m)	2003 (m)	% Change
Accommodation	1209.7	1257.4	4
Food & drink	1168.4	1226.1	5
Recreation	249.7	261.5	5
Shopping	790.9	827.0	5
Transport	607.3	633.2	4
Indirect expenditure	1864.7	1957.4	5
VAT	704.6	735.9	4
Total	6,595.2	6,898.5	5

Source: North West Region STEAM Report 2003

Table 8.5 - Revenue by Category of Visitor

	2002 (m)	2003 (m)	% Change
Serviced accommodation	2693.9	2846.8	6
Non-serviced accommodation	574.4	602.6	5
SFR	469.8	474.9	1
Day visitors	2857.1	2974.2	4
Total	6,595.2	6,898.5	5

Source: North West Region STEAM Report 2003

Cultural events also attract visitors and revenue and raise the profile of the region. The NWDA was involved with 12 major events which took place during 2004/05. These events generated almost £16m of benefit to the regional economy and were attended by over 700,000 visitors including 200,000 from outside the region. Visitors also generated 125,000 bednights and th events secured 13.5 hours of national TV coverage.

In it s first year of operation, the NWDA funded Northwest Regional Conference Unit secured 7 new conferences for the region with an economic value in excess of £1.2m.

The cultural sector continues to build on this success by securing and investing major events, such as the Capital of Culture designation and the Manchester International Festival, as well as bringing an enhanced infrastructure and skillset to the development of smaller scale festivals and events which stimulate the visitor economy, demonstrate vitality, raise the image profile and generate revenue for the region.

APPENDIX 1 – TECHNICAL ANNEX

Definitions

Gross Value Added (GVA)	measures the contribution to the economy of each individual producer, industry or sector;
GVA Gap	how much the regional GVA would need to rise to reach the national average;
Gross Domestic Product (GDP)	GVA + (taxes – subsidies on consumption);
Full Time Equivalent (FTE)	A full time job that involves working a standard 30 hours per week and is filled.

Factors contributing to the North West's GVA gap

The £13.6bn gap between the North West's economy and the English average is accounted for by two factors:

- Employment factors: the relative number of people in work. The region has a slightly fewer people of working age and a low number of those of working age in employment. These factors account for 25% of the overall GVA gap;
- Productivity factors: a variety of issues contribute to this including fewer hours worked per person employed in the region; and below average productivity per employee in most service sectors. These factors account for 75% of the overall GVA gap.

Methodologies for Valuing the Cultural and Creative Industries

Some differences in figures for employment, businesses and value of the sectors can be attributed to different methods used to define and calculate the Cultural Sector as well as the different time frames when the studies were undertaken.

An overview of the main methodologies used as the basis for calculating the impact of the sectors is presented below.

Benchmarking Employment in the Cultural Industries and Creative Industries Factsheet 2005

This work was undertaken by Impact Research on behalf of the Regional Intelligence Unit and uses the Standard Industrial Classification (SIC) and Standard Occupational Classification (SOC) codes to four digit level into 39 separate sub sectors across the whole range of the cultural sector. These 39 sectors were then consolidated into 15 sub sectors: advertising, architecture, arts & antiques, design, designer fashion, music, media (film, TV, radio, video), visual arts and crafts, performing arts, publishing, digital content, heritage, tourism, sport and leisure, and other. The original benchmarking research was undertaken before the full development of the DCMS Evidence Toolkit.

Cumbrian and Cheshire Creative Industries Benchmarking

The definitions used in this research follow the DCMS Evidence Toolkit using SIC and SOC codes and weightings. This methodology uses five digit SIC codes rather than four digit level. The codes are then grouped together into seven domains which constitute the cultural sector: Audio Visual, Books & Press, Performance, Visual Art, Heritage, Sport and Tourism; with the Creative Industries accounting for the first four domains. This method is recognised nationally and is being implemented throughout the UK; and tends to provide a more accurate picture of the size and value of the sector.

Benchmarking the Health of Cultural Businesses

This research was undertaken by Experian Business Strategies and Burns Owens Partnership for the Regional Intelligence Unit. This study again used four digit SIC codes as well as surveying a sample of businesses across the sectors and by size bands of employees. The sector was grouped into three sub sectors: Content; Design and Sports, Entertainment and Visitor Attractions.

Recommendation

It would be beneficial for any future research undertaken in the region to use one consistent method for measuring the value and impact of the cultural sector. This will enable direct comparisons within the region but also allow for comparisons to be made with other regions. As the DCMS Evidence Toolkit is the nationally recognised standard, it would be our recommendation that this methodology is adopted.

APPENDIX 2 – BACKGROUND TO STUDY

Culture Northwest, the cultural consortium for the Region, commissioned this study to demonstrate, both quantitatively and qualitatively, the value of the Cultural Sector to the Northwest and how it contributes to the continued economic and social renaissance of the Region.

This study provides a robust and solid evidence base upon which to ensure that the continued investment in cultural activities remains a priority and is part of the wider submission to the RES review process by Culture Northwest.

It should be noted that due to the timescales involved with the RES Review process, this study has primarily focused on gathering and analysing the substantial secondary evidence base, which currently exists within the Region.

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Appendix 4

Culture Northwest is the Cultural Consortium for England's Northwest, established in 1999 by the Secretary of State for Culture, Media and Sport, and its role is to drive the Regional Cultural Strategy. Culture Northwest's core funding is predominantly provided by the Department for Culture, Media and Sport and the Northwest Regional Development Agency. For further information visit www.culturenorthwest.co.uk

The Northwest Regional Development Agency (NWDA) is responsible for the sustainable economic development and regeneration of England's Northwest and ahs five key priorities: Business Development, Regeneration, Skills & Employment, Infrastructure and Image. For further information visit: www.nwda.co.uk or www.englandsnorthwest.com