



Unlocking Creativity – A Creative Region (Northern Ireland)

**Consultation Response: NI Department of Culture, Arts and Leisure
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NESTA
Fishmongers' Chambers
110 Upper Thames Street
London EC4R 3TW

Introduction

NESTA, the National Endowment for Science, Technology and the Arts, is the UK's only fund tasked with pioneering ways of supporting and promoting talent, innovation and creativity in science, technology and the arts.

We were established in 1998 by Act of Parliament, which laid down our three statutory aims of:

- Helping talented individuals (or groups of such individuals) in the fields of science, technology and the arts to achieve their potential;
- Helping persons to turn inventions or ideas in the fields of science, technology and the arts into products or services.
- Contributing to public knowledge and appreciation of science, technology and the arts.

We have chosen to achieve these aims largely through our three core programmes – Learning (formerly Education), Fellowship and Invention and Innovation. To date we have made 439 awards through these programmes and invested over £27million in supporting creativity and talent across the UK. We have become one of the largest single sources of early-stage seed funding and have a reputation for supporting highly innovative approaches to learning, involving public, private and voluntary sector partners. Moreover, our recently launched Graduate Pioneer Programme has just selected 30 graduates from the creative industries to attend an Academy aimed at developing their entrepreneurial skills.

Against this background we welcome the opportunity to submit evidence on the Department of Culture, Arts and Leisure (DCAL) consultation *Unlocking Creativity – a creative region*.

Overview

We welcome this document's recognition of the importance of creativity for the prosperity of Northern Ireland. We believe that the support of creativity in Northern Ireland could have a valuable impact on the UK as a whole, by acting as a beacon of excellence, taking advantage of Northern Ireland's relatively small size to address problems in a more joined up and creative way than has been the case to date in Great Britain. Already Northern Ireland has done much to promote creativity and we endorse its continuing strategic aims:

- To ensure full and coordinated provision for creative and cultural development in the curricula of formal and informal and lifelong learning;
- To ensure access to training and employment opportunities, and promote business development through creative cultural development, and;
- To validate the concept that creativity is central to all aspects of our work, learning and leisure in Northern Ireland through ensuring effective partnerships between organisations in the public, private and voluntary sectors.

Through our experience of funding creativity and innovation, we strongly agree that much of Northern Ireland's future competitiveness, and that of the UK as a whole, depends on the profitable exploitation of knowledge and ideas. There are three areas of the document where we feel NESTA's experience as a supporter of creativity gives us a particular insight:

- The value of a more enterprising culture and the role of the education system in achieving this;
- Increased awareness of the Creative Industries as a sector; and
- Increased support for the Creative Industries.

Entrepreneurship in Learning

NESTA strongly supports the education-related proposals put forward in the report, particularly the value placed on the creation of a culture of enterprise through entrepreneurship in education. Our own experience in this field, through our Learning programme, highlights the value of teaching entrepreneurship from an early age. Our experience indicates that this can provide young people with the skills required to set up their own businesses while also contributing to their education in all areas of the curriculum.

In preparing children for their future in a knowledge driven economy the Northern Ireland executive should encourage stronger links between business and schools, giving pupils and students a better understanding of their future roles in the economic community. Moreover, too few young people currently have an awareness of financial issues, which are vital skills for creating an enterprise culture. Perhaps more important, though, is the development of "enterprisingness", or enterprise capability, creative problem-solving in an economic context. People who are confident of their abilities to start and manage a firm are more likely to be engaged in entrepreneurship than those who do not believe that they have the skills. This is an issue across the UK, and Northern Ireland is well placed to lead the field in addressing it.

We would particularly like to emphasise our support for two areas of the entrepreneurship and education action plan. First, encouraging schools, colleges and universities to promote self-employment as a valid and equal career option; and, second, the establishment of a dedicated team of local entrepreneurship champions (i.e. business people and educationalists with an interest in

entrepreneurship) to facilitate and nurture the spirit of enterprise within schools, colleges and universities.

These are features of NESTA's Learning programme and an area where we have made an active contribution. We have supported Dream Ireland - a company whose aim is to assist the growth of the digital and creative industries within Northern Ireland. NESTA is supporting their pioneering project, Dreamlab Generation, which will teach digital technology and insider knowledge of the creative industries to schoolchildren.

Dream Ireland was set up because of the belief that the transition Northern Ireland must make from a manufacturing-based economy to a knowledge-based economy starts with education in schools. Here children get the freedom to be creative with technology. By using industry professionals to teach 15 to 18 year-olds, Dreamlab will provide them with a direct link to the workplace, where they will learn the most up-to-date technology, and have contact with potential employers.

Our next pilot of NESTA's Ignite! project will also be held in Northern Ireland. This is NESTA's Fellowship project for young people and aims to support exceptionally creative young people aged between 10 and 21 years old. Hence we welcome the consultations emphasis on supporting creativity in education. As part of the plan to enhance and stimulate creativity through innovative education we invite you look at the role of Ignite! in creating distinctive and inspirational environments for the development of creativity and innovation in young people. We would be keen to discuss ways in which we could work together in the future on issues of common interest.

We could use our experience here to feed into initiatives like the Arts Council's *Artist in Schools*, entrepreneurship in learning or the creative use of ICT in education, all of which we know to be successful in engaging pupils in their educational environment and have the potential to impact on the wider issue of creating an enterprise culture.

Awareness of the Creative Industries

As the report recognises, the Creative Industries play a major role in creating wealth and employment. This is backed up by research carried out recently by NESTA¹, which demonstrates that, while businesses in these sectors are successful, and growing at twice the rate of the economy as a whole, they find it disproportionately difficult to attract investment on the open market. As a result it would be beneficial to address the barriers that face this sector.

One of the problems facing the Creative Industries is the lack of reliable and meaningful data. While certain Office of National Statistics (ONS) publications feature a "Creative Sector" category of economic activity, the sectors included differ considerably from the DCMS definition of "Creative Industries". Given the size of the UK economy this makes comparisons of the Creative Industries with other areas of economic activity extremely difficult.

Consequently we welcome here DCAL's use of the DCMS definition of the Creative Industries. Furthermore we welcome the grouping of the Standard Industrial Classifications (SIC) into their various Creative Industries sub-sectors. Our

¹ *New Solutions to Old Problems: investing in the Creative Industries*, NESTA, 2003.
<http://www.nesta.org.uk/assets/pdf/creativeindustriesresearch.pdf>

experience has revealed that the data here is extremely confused and resultantly in need of being broken down into smaller categories. While keeping within the DCMS definition allows for consistent comparisons the grouping into three categories of Design Related Industries, Expressive Industries and Media and Information Industries should help to clarify this data.

Due to its comparatively small size there is an opportunity for Northern Ireland to act as a beacon for the rest of the UK by including the "Creative Industries" sector within economic data that it compiles. We believe that this could be used to enable a much more robust statistical base to be built, helping us to better understand the needs of the Creative Industries, and to be able to use creative approaches to address some of the major problems faced by the rest of the UK in collecting and sharing data.

Support for the Creative Industries

We are pleased to see that there is to be a review of Invest NI and an encouragement of a new range of initiatives designed to support creativity, innovation, research and knowledge transfer. We would welcome the opportunity to feed our findings into these proposed initiatives. Our position as a bridge between the public and private sector enables us to assess regulations from the viewpoints of both business and government, with an emphasis on the needs of very small businesses in highly innovative sectors. Through our Invention and Innovation programme we have invested over £9million in 143 different innovative start-ups, making NESTA one of the largest single sources of seed and pre-seed capital in the UK.

While initiatives like funding for proof of concept are useful, and of course welcomed, the experience of NESTA's Invention and Innovation Programme tells us that the concept is rarely the key issue. The failure of the creative industries can more often be attributed to a lack of management and entrepreneurship skills among inventors and innovators. Very few of our investments fail to produce a workable idea or product, either in prototype or commercial form. However, although they succeed in bringing their ideas to reality, and in many cases market, the company is still not guaranteed success.

In the start-up businesses which we support, management skills are almost always lacking. We often find that there is a resistance by the originators of an idea to part company with it - they are overly attached to their creation and unwilling to loose control of it. They are also often more focused on the idea than the business, leading to a higher than necessary failure rate in this sector. We recommend that as well as looking at increased sources of funding DCAL should look at providing some sort of short term or part time management resource.

Early support in this field is paramount; we have found that success or failure of these businesses will often hinge on what happens in the first 100 days. During this period our support is increasingly focused on the development of outline business and action plans and the preparation for further funding. The success of our mentoring services could provide a valuable tool in improving the success rates of innovative start-ups.

Conclusion

We strongly support both the tone and content of this report and feel that Northern Ireland has a great opportunity to pioneer new means of promoting and supporting Creativity. As an organisation directly involved in assisting creative individuals, or groups of individuals, to set up businesses we would welcome the

opportunity to discuss in more detail our work and how we might move forward together. We feel that there are a number of areas where the work of the Creativity Unit and that of NESTA could complement each other, and where there is substantial scope for joint working. If you have any comments or questions pertaining to this, or any other aspect of NESTA's work, please contact us.