



Northern Ireland
Assembly

Committee for Culture, Arts and Leisure

OFFICIAL REPORT (Hansard)

Inquiry into Maximising the Potential of the
Creative Industries in Northern Ireland:
NILGA

21 June 2012

NORTHERN IRELAND ASSEMBLY

Committee for Culture, Arts and Leisure

Inquiry into Maximising the Potential of the Creative Industries in Northern Ireland:
NILGA

21 June 2012

Members present for all or part of the proceedings:

Miss Michelle McIlveen (Chairperson)
Mrs Brenda Hale
Mr David Hilditch
Mr Michael McGimpsey
Mrs Karen McKeivitt
Mr Cathal Ó hOisín
Mr Robin Swann

Witnesses:

Mr Derek McCallan	Northern Ireland Local Government Association
Ms Karine McGuckin	Northern Ireland Local Government Association

The Chairperson: I welcome Derek McCallan, chief executive of the Northern Ireland Local Government Association (NILGA) and Karine McGuckin, NILGA's European officer. Thank you very much for attending and for your submission. The normal process is that you give an opening statement of up to 10 minutes, after which members will ask questions.

Mr Derek McCallan (Northern Ireland Local Government Association): I note you said "up to" 10 minutes. Our opening statement will, hopefully, be shorter than that. We welcome the opportunity to provide additional evidence beyond the written submission, and we hopefully identified some of the key initiatives that councils can take to complement the very significant work that is being done on this island and throughout the UK.

I also feel that it is appropriate to commend the Committee for going to Dundee and Edinburgh for fact-finding, benchmarking and to look at good practice there. It is really important that we look at what we can do with our colleagues in different jurisdictions and neighbouring areas and take the best of what they have to offer. It also, I presume, gives us an opportunity to export what we can do and to promote Northern Ireland as a creative area, and I am sure that MLAs and councillors alike want to champion that. That was a very relevant and important visit.

As members will be aware, the NILGA is the representative body for the present 26 councils, and supports their sustainability and development. To do that, we have to sustain local economies, which will become increasingly relevant after the review of public administration (RPA). Councils will have a statutory role in promoting community planning, including fostering the development of local economies. We are now beyond the mechanical questions — we are aware of a lot of the evidence, statistics and data. With the evidence now provided, we are in a position to review the current

interventions, take stock of them, keep the best and align them to a contemporary route to promoting and sustaining the creative enterprises.

Local government should be seen as an enabler rather than as a subsidy for the creative industries. That enabling role can take place in very local and diverse ways, depending on the region or subregion that one is in, and depending on the base of creative enterprises that are there. That enabling role of local government, in much the same way as other public sector bodies, is to ensure that the local economy is driven by the private sector and that a culture of self-help and self-sustainability takes place. That is absolutely key.

My colleague Karine will briefly highlight two initiatives in which, at no net cost to ratepayers, a very significant development in terms of inspiration and orders, employment and revenue took place in an area that we both historically worked in and which you know quite well, Chair: the Ards peninsula. I hope that it will not take up too much time. It gives an example of a local and a transnational initiative that a council, with others, took part in.

Ms Karine McGuckin (Northern Ireland Local Government Association): In Ards, we facilitated the creative industry as part of the role that we saw fit for the council that we were working in at the time. We decided to apply for a number of funds, one of which was the creative industries innovation fund (CIIF) and the other was a European programme called Leonardo. Under the CIIF programme, we decided to create a platform called Ards Creates, which is a discussion forum for craftspeople and creative people. It gives them the opportunity to place events on a website — it is a web platform — and to have discussions and forums and to be able to discuss and progress the creative industries in Northern Ireland. It also gives them the opportunity to export information on what they do. That attempt at facilitating the sector was very successful. If you go on the platform now, you will see that a lot of people have registered. It is a very useful tool.

The other example is the sustainable craft network, which was a Leonardo initiative that involved Finland, Northern Ireland, Ireland, Spain and Italy. The aim of the initiative was to look at exchanging good practice in the creative sector, particularly in the craft sector. We felt that it was very important because it gave Ards, which is only the eighth-biggest local authority, quite a high profile; you do not need to be Belfast or Derry/Londonderry to do something significant. The initiative brought us a lot of publicity, information and good practice that we are able to implement in the borough.

The key finding from that initiative was the handed-down skills that we have. We should never forget that we have a traditional industry in addition to the creative modern technology industry. We should not forget about crafts and trades; we should keep that alive because it is the bedrock of the whole industry. All the countries that we have visited have the same attitude: we should not lose the skills; we should build on them, keep them and develop them on top of the new ones that are coming on board. It is very important to keep that. It is something that people are traditionally very attached to; it is a big contributor to the creative industries. That was very important. There might be a phase 2 of that; I do not know yet. It was a very good example of countries sharing practice and information. It was very strongly linked to society and the way of life, which was very important. That should not be segregated in our thinking.

The other important thing about that programme was that we were able to change the rules. At the beginning, Leonardo was only meant to bring an elected member and officers from one country to another to see what people were doing. We created a forum with practitioners, private industry and individuals, and were able to bring them on board. That is because they are the ones who are going to make the change; not us. I think that will be a very good way of bending the rules a little bit to be able to ensure that the private sector is the beneficiary and not us.

I do not want to go any further in illustrating what we have done and what local government can do. We are a perfect platform to create these opportunities and that is what we should be doing, but the private sector should be the investor.

Mr McCallan: We have an economic development subgroup within the Local Government Association. It is not designed to carry out the practice of economic development; it is to bring good practice. Without leaving our desks, we are drawing on experience of creative industry interventions in, for example, Wales and Colorado. The Governor of Colorado recognised just last month that the creative industries are the fifth-largest contributor to the local economy and have just outstripped security, defence and engineering. When you look at it in that vein, you see that, in Colorado, an intervention on procurement is securing local jobs in local areas over and above areas such as

Milwaukee through their tender procurement exercise. The same is happening in Wales. It was in the media this morning.

We can accountably identify ways in which we can sustain local businesses without grants. I was taken by comments made yesterday at the Victoria and Albert Museum by political counterpart Jeremy Hunt. He mentioned that one way to do that would be to have a media channel for the creative industries through which advertising would replace some of the public interventions required. I think that the principle of that at least is worth exploring.

NILGA's comments included some assertions and recommendations that were offered respectfully. We just want to be part of whatever future interventions are taking place. We referred to a review of the existing interventions, and I am sure that you and your colleagues are aware that the Creative Industries Council carried out a review of interventions last June, I think. It was largely Anglocentric, but there is an opportunity to look at the totality of public sector intervention to see, as I said at the start, whether we could make a contribution and make sure there is a convergence of interventions rather than duplication of effort.

Money is in everybody's thoughts and is the subject on everybody's lips. How do we sustain public sector interventions? Well, the Stone Age did not stop because they ran out of stones. There is a great way to be creative about this, whether it is through advertising, self-help, promoting, or getting contracts in America for municipal public art, as we did for a Comber-based art worker. That is the way to sustain the creative enterprises. There is great value in elected Members championing that point and recognising the value of those industries.

I am very happy to take any questions, thoughts or constructive criticism from you and your colleagues.

The Chairperson: Thank you very much, Derek and Karine. Your point about councils being the enabler for creative industries was well made. I see them as a key driver and delivery mechanism for the creative industries. Three of us in the room have been involved with Ards Borough Council, Karine, so we are well aware of the example that you cited.

The point that was made to us, and it came across particularly in Dundee, was about the role that an officer in particular can have, or a very enlightened councillor, and how they can drive forward a concept. That became quite clear in Dundee in relation to Dare to be Digital, a concept that was supported by Dundee Council through its economic development department. There was also a comment made to me the other day when the Nest project was here — they are collecting items for the Cultural Olympiad. Again, it is really the point around having a creative arts officer and someone in a council who sees a project and can drive it forward and really bring it to life. In some councils, there may be an absence of that innovation. What can NILGA do to try to sell a product for creative industries through economic development and for those councils to see that there is an alternative where there is a gap or where there are redundancies through the general economic downturn?

Mr McCallan: We can look in a very businesslike way at the transfer of creative resources across councils. In Wales, for example, a creative industries officer, who is employed by Cardiff, works on a commission basis in Aberystwyth looking at the natural resources, so we do not need to be precious about the location of the employment base. The opportunity exists to do that with the proposed 11-council model. Between now and 2015, an alignment of required planning and resources could allow people to work between areas. That requires working out, but rather than concentrating on the location of the resource, we should put the resource where it is needed. If there is expertise in a certain area — for example, crafts is big in Ards, and Belfast would have a range of diverse specialist officers — we could look to work on a commissioning basis, and that good practice could be learned rather than simply replicated. That is the case in Colorado, which, in population terms, is bigger than Northern Ireland.

In respect of what NILGA can do, we will not create any kind of programme that councils will follow. We will offer that good practice as long as it is economically sound to do so. I mentioned the Wales example, and through some of the working groups, which will perpetuate through the review of public administration, those types of conversations have to turn into outcomes, not so much for the institutions, the councils themselves, but for the local economies that we purport to serve. Therefore, it can be done. It is very simple as long as the attitude is creative and accountable.

The Chairperson: Do you see this as more than just about finances and funding?

Mr McCallan: It is vastly more than just about that. It is about the value, not just the cost of creative industries. We talk a lot about the concerns that we have about manufacturing. We have leaders and advocates for the agriculture industry, and that is absolutely right. However, in the creative economy, you used the word "discerning" earlier, and if you have discerning elected members and advocacy officers, they can combine to create the environment for this creativity to flourish — the skeletal framework for it to happen. That need not necessarily be at an additional cost to the ratepayer or the taxpayer. Therefore, it is very important to look at the value of it and to look at the long term.

In respect of our industrial heritage, we have Tyrone, mid-Ulster and Lisburn. In respect of our natural resources, we have the Ards peninsula and the Causeway Coast. In respect of digital media, we have Belfast and Derry/Londonderry. Those could all be foreign direct investment opportunities. I hesitate to say that because I think that elected members such as yourselves know that. It is about turning the rhetoric and the evidence into discernible action.

The Chairperson: You mentioned in your paper the concept of a creative enterprise unit. Could you expand on that?

Mr McCallan: Yes. It is about looking at the range of public sector bodies and officials engaged in direct or indirect intervention in crafts, creative industries, arts, etc. There is an opportunity to scope out what is required to audit, with a small "a", not in an overly rigid sense, and see whether they could be aligned to a more 20/20 approach to creative enterprise intervention, rather than the organic growth that has happened over the past few years.

That is not a judgement on any of the current initiatives or the people, but I stress that the public sector is required to be as businesslike as it possibly can. Perhaps a clinical and creative look at all of the current interventions could create a lithe, transferable suite of interventions and people who could move to the areas of greatest economic need and of greatest creative opportunity. They would not be defined as an enterprise officer for arts; they would be defined as someone or some organisation that is determined to ensure that creative enterprises of all types flourish in that area. There would need to be processes, but the outcomes are so much more important than who employs them and what those processes are.

Mr Ó hOisín: Thanks for the presentation, folks. One of your assertions is that councils are proactive in their role in respect of development. I think that those of us with experience of local government know that that is personnel-led — or, as the Chair said, perhaps councillor-led — development. In a number of areas, that is simply not happening, and has not happened. I suppose the uncertainty over RPA has perhaps caused that, in that we have had a number of years of stop-go, stop-go stagnation, and will probably have another couple on the back of that as we head towards the new council dispensation.

I am just wondering how NILGA sees its role, first of all in tying together some of the council clusters, which are not natural units. That is part of the issue. How can that be done by tying a number of the 11-council models together? I am thinking particularly of all of the clusters along the north coast, along with Derry and Strabane and right round to Larne, or even to Belfast, for that matter. Obviously, a central role of NILGA is to see whether that can be done without people being parochial on the one hand, or precious about their own place on the other. Where do you see your role in bringing councils together and actually making them proactive on a wider cluster basis and also a subregional basis?

Mr McCallan: To answer your question directly, NILGA's role is to look beyond the number of councils and beyond the boundaries and to look at the interventions that assist local economic players, who may be creative enterprises, who frequently do not know what council area they are in. In other words, they require service provision from whomever. Notwithstanding that, local matters — local identity matters, and that is something that the creative enterprises actually draw on to promote their products and services, so there is a need to square that circle. An example of that is the stop-start that you rightly refer to in terms of local government numbers. Straddling that throughout were a number of cross-border bodies, which looked at what their intervention could mean in terms of inter-regional activity. They were able to keep working, whether there were proposals to re-cluster, de-cluster, or change the numbers.

Our role is to highlight that political leadership within local government has got to, and does, offer the sector opportunities to look at the service and the economic outcomes of these things. It is a difficult issue, but we are very keen over the next few years to have an eye on the future and on where local

government is going, and to make sure that we actually move away from some of the processes and some of the numbers. The way in which we do that will be borne out only over the next critical 24 months, when the mindset will have to alter and we will be looking at councils with more responsibilities. It is important to be local, because constituents demand it, but it is also important to be corporate. That is going to be a cultural issue that we want to promote and develop.

Mr Ó hOisín: That is exactly my point. That mindset has to change. I have sat on a number of the tourism partnerships and one of the cross-border groupings, and they all do good work in parts. However, I think there is that uncertainty about regional belonging, identity, the product in the area and how it can best be delivered. I am not sure that the models that exist currently are necessarily the models that we will need further down the line. That is just an observation.

Mr Hilditch: You are very welcome. It is basically about delivery. You touched upon that in some of your comments, Derek. In my constituency, the Larne Enterprise Development Company (LEDCOM) and Carrickfergus Enterprise deliver economic strategies for those councils. In those complexes, there are small to medium-sized enterprises. They are well used by the creative industries and house many of them locally. There has been some question in the past few months about creating another tier of delivery between Invest NI and local councils. Do you see creating another tier as an option? From an outsider view, do you see that mechanism as sitting there, just needing to be brought into play more?

Mr McCallan: That other tier would perhaps look at the transfer of certain functions. If that were cost-effective and had been business-proofed — in other words, that those interventions could be better served locally with a central managing agent — that would be very similar to the Scottish model. As long as it was cost-effective, and an economic viability exercise were done — less about jargon and more about what would happen if this structure was created; for example, it would put more money on the ground, create more creative but accountable actions, and deliver more for commercial ratepayers — yes, we would have it. Our policy work has been to encourage the displacement of some functions to local authorities, as befits any contemporary stable society. Whether there are 26 or 11 councils, or 22 in Wales, we want a relationship with central government that is the best fit for the mechanisms.

Mr Hilditch: But you would not want to create anything that is too bureaucratic, so that the person on the ground sees various tiers that they have to get through to get to an end goal. You would not want to overload it. It is about getting the balance.

Mr McCallan: It is about getting the balance. In the transition from 26 councils to the proposed 11, because of how the political struggle is exercising people, there is an opportunity to take a look at the whole system. As long as we are clinical and creative about that, it will create opportunities.

It really is a key issue. The sustainability of local economies should be enabled by local authorities. You cited a model such as LEDCOM. That is a perfect example of a contractual and transactional relationship, and it is a semi-private organisation. That is something that should and will be explored. There is a prime opportunity to look now at the whole product of public sector intervention in economic development in a dispassionate way that does not justify the existence of any organisation but rather looks at the outcome and results all the time.

Mrs McKeivitt: Thanks very much for your presentation. On page 3 of your submission, you identify the key challenges currently facing the sector. It refers to the proficiency-based skills gap in the fashion and textiles sector. In your view, is enough priority being given to all sectors within the creative industries or is priority given to the highest growth areas, for example, the digital sector?

Mr McCallan: My colleague Karine gave an example of how some of the artisan trades, whether that is woodturners or glass workers, and so on, are not high growth sectors. However, if those skills are transferred and handed down, the same as in agriculture, they are going to be incredibly important in certain local areas in maintaining tourism and web-based purchases. I honestly would not be able to define what proportion of investment should go there, but the example in Toledo, Spain, was a good one. Perhaps Karine can amplify that to try to answer your question.

Ms McGuckin: That was just an example in the creative sector; there is no particular issue about emphasising one sector over another. At the end of the day, it depends on the make-up of the area. Some would be more suited to certain areas and some will not. For example, in Toledo, you have a huge leather industry around the craft industry. There is also a steel industry, which does not exist

here. So, it all depends on what suits the area and what makes it uniquely able to realise private market gains — what makes it that little bit different so that it will attract investment and people to buy the product.

That was just an example of the key challenges faced and the skills required. However, the skills are local — they are born in a particular area and are further developed. Some skills are dropped, but others are developed, and that was one such example. It is, again, all about the handing down of skills and their survival, and making sure that, if you have them, you maintain them.

The same applies in the fishing industry, for example, where traditional boats are maintained and refurbished so that they can be kept as part of your heritage because it contributes to tourism. So, it is all about twisting together the strengths and skills that you have to make sure that, at the end of the day, you use them in a manner that will favour your own area.

The Chairperson: We obviously welcome your response on behalf of NILGA, but the Committee was disappointed by the lack of responses from councils generally. As was remarked on a couple of occasions, only four of the 26 councils responded, which does not reflect well on councils. I suppose that we can assume that some councils are doing a lot to support the creative industries and others are not, but that may not truly reflect what is going on the ground. I am not sure how you would encourage councils to become more engaged with even the work of the Assembly. Getting that information back would give us a much better overview of what is really happening on the ground. Maybe you could encourage council officers and members to become more engaged with our inquiries. The information that they could provide is invaluable to us.

Mr McCallan: We do that, but sometimes we do not get the optimum responses from councils, either because their resources are used up in firefighting or they are suffering from consultation fatigue. One way that we are trying to address that is through the Forum for Local Government and the Arts. Now, I realise that that is only one component of, as has been said, a range of creative enterprises. We would like to look at that afresh. I think that the Minister of Culture, Arts and Leisure will attend an event at the MAC at the tail end of next week.

Ms McGuckin: It is on 28 June.

Mr McCallan: The event's purpose is to look at what the Forum for Local Government and the Arts can do. It is a combination of arts officers and elected members, and requires a little bit of sustainable investment. So, we are looking at that because a dynamic intervention of its type would lead to better responses. People have said that there is such a geographic, cultural and traditional range of elements in the creative economy, and we need that evidence from the ground. One of our jobs is to draw that evidence together. By accident rather than design, we are able to speak from a position of having knowledge through experience. That is because this is a sector about which we are collectively and purposefully very passionate. It does not always follow that, at any level, you will get universal purpose and passion, but we will try.

The Chairperson: Thank you. Karine, as the European officer, will you tell us specifically what you do and whether you have come across any opportunities that are perhaps not being taken up by local councils here?

Ms McGuckin: As you remarked, the take-up of European funding is very different from one area to the other, and some are very proactive. It can be because some people do not have the necessary resources to take it up. However, the opportunities are there, and it is all about being imaginative in what you propose. There are a number of opportunities under CIIF, which is not European-funded, and you have ERASMUS, Leonardo and other programmes to tap into. There are cross-border opportunities as well with INTERREG, and, in the next round of European funding, we are looking at making sure that the sector is well provided for.

I look at the opportunities in each sector, and, if there is an opportunity, I distribute the information to the councils. Depending on the councils and knowing their make-up, I will probably tailor one opportunity to a council through some of the tours that we have developed in NILGA, such as the EU knowledge bank. If there is an opportunity for councils to apply under the creative industry criteria, the information will be passed on, and I will assess development if there is definitely potential to gain from that opportunity.

My role is also to make sure that I develop the knowledge of elected members and champion some of the European funds to make sure that they act on behalf of councils in Northern Ireland as a whole. I am trying to build the capacity of members to make sure that, if there is an opportunity, they will harness it, champion it and fight the cause of Northern Ireland. There is definitely a lot of work in capacity-building, information-sharing and one-to-one meetings with people whom I know will be able to progress some of the initiatives.

The Chairperson: I thank both of you once again for coming this morning and for your input into our inquiry.

Mr McCallan: No problem. We want to give you, as Chair, the Holstee manifesto, which was done by a global creative industry group in 2009 and has spread to here. It has become a poster campaign. I would have got a proper professional version of it, but it would have cost me £69, so I printed it out on the internet. It says that life is about the people you meet and the things you create with them, so go out and start creating. That does not have to be a serial notion. Creative industries are for everyone. They are not for some sort of elite; they include people who make spades or whatever. We want to nurture that and do so in partnership. I will leave you with that, and perhaps your officers could copy it. When you are tired or demotivated, read it. I hope that does not sound too patronising.

The Chairperson: Thank you very much.