

Developing a project to understand the impact of creative and cultural higher education institutions and faculties in London:

A joint London Higher and Work Foundation report

Introduction

1. This joint report by London Higher and The Work Foundation sets out the recommended scope for a project to understand the impact of creative and cultural higher education institutions and faculties in London.
2. The report was commissioned by the London Higher Research Excellence Group, which had decided that more research was needed to understand the distinctive impact of creative and cultural higher education institutions (HEIs) and faculties in London. Despite consensus that this work was required, however, it was felt that a scoping phase was required to investigate what work had already been done and to make decisions about the main objectives of a research study, the key audiences, the timescale, and the hypotheses that the study was testing.
3. As a result, a small Working Group was set up and The Work Foundation, working closely with London Higher, was commissioned to facilitate three meetings of the group in order to finalise a scope for the project that could be used to commission further work. In addition, The Work Foundation conducted a literature review and a series of interviews with key stakeholders to find out their views about the best focus for the project. More detailed information on the process can be found in Annex A, on the contributors to the project in Annex B and on the existing data sources in Annex C. Minutes of the three meetings are available in Annex F.
4. The remainder of this report sets out the key findings of the work, summarises the discussions and sets out the recommended scope of the project.

Key Findings

5. Three key findings emerged from the discussions at the three meetings and the background work undertaken.
6. First, it became clear that a project investigating the impact of creative and cultural HEIs and faculties in London would be new: the group could not find any existing research that specifically addressed this issue. This means there is a gap in existing work that this project can and should seek to fill. The group did note, however, that it would be vital to build on related research available in this area (some of which are listed in Annex C) and to work with researchers currently working on related issues. Projects regarded as particularly relevant include
 - i. The three year project being conducted by Dr Calvin Taylor and Dr David Smith to investigate the relationship between university research in the arts and humanities and innovation processes in the creative industries;

- ii. The Step Ahead model applied by the London Centre for Arts and Cultural Enterprise (LCACE) – see Annex E for details;
 - iii. The work being conducted to prepare for the new Research Excellence Framework, which should prove valuable data sources.
7. Second, there is now an urgent timescale for this work to be conducted. A conversation between London Higher and DIUS indicated that the Treasury is looking critically at the £6 billion research budget with a view to making savings. It was made clear that 'selectivity' would become the byword in future research funding arrangements and that 'impact' (economic or otherwise) would be the primary criteria for decision making. Spring 2009 is the time at which selectivity is likely to be deployed, meaning that a great deal of work needs to be done in a relatively short timescale.
8. Third, the project will need to focus upon 'impact'. Money will be distributed based on impact. This will be primarily economic impact but officials have indicated they are open to other measures of impact, although they want to know how that impact can be assessed and measured if it is not using more traditional indicators.

Summary of Discussions

9. The discussions at each of the three meetings raised a number of issues that the project scope has needed to take into account. The more detailed minutes from each of the three meetings are available in Annex F. The key issues that those bidding for work on the project should note are that the group agreed the following:
10. There is a need to change the narrative about the impact of creative and cultural institutions. The group agreed that creative and cultural institutions are regularly undermined by various statistics that seem to underestimate the value of these institutions because of what these statistics measure. Whilst recognising that much of the impact of creative and cultural institutions may be challenging to capture quantitatively, the group agreed that it was important to use the project to provide a stronger narrative and a framework for thinking about the impact that creative and cultural HEIs and faculties have upon the economy and society within London.
11. Current metrics do not capture the impact of the creative and cultural industries. Building on the concerns around narrative, it was agreed by all contributors that current metrics of impact focus primarily upon economic impact using measures that are more appropriate to science and technology research and institutions rather than the impact of creative and cultural research and institutions. It was agreed that this project should ensure it considers a wide range of measures of 'impact', going beyond existing indicators and trying to take into account more qualitative as well as quantitative measures.
12. Impact means looking at institutions and research. There was considerable debate about whether the project should focus only on the impact of research, or should have a wider remit around the impact of institutions, which could

encompass students, businesses and the local community. As discussions progressed it became clear that the group felt that 'impact' should encompass a wide range of measures, whilst still allowing the impact of creative and cultural research as distinct from the impact of creative and cultural institutions to be disentangled.

13. Policymakers are the primary audience. There was considerable debate about audiences but by the second meeting the group had agreed that the primary audience should be policymakers. This decision was reinforced by the news that DIUS was reconsidering research budgets in spring 2009.
14. The project focus should be on London. It was agreed that London is a special case in the creative and cultural industries, and that London's HEIs had a clear interest in understanding the distinctive contribution they make to the capital city and largest concentration of creative and cultural industries in the UK. The group also noted that the project should identify where there are lessons that can be applied to other cities and education institutions.
15. Even if the UK was not in recession, this project would be important and have an impact. The current economic climate makes the work more urgent and the likelihood of budget cuts being made if impact cannot be demonstrated more likely, but the project would be required even if the UK economy was thriving.

Proposal for Work – Overview

16. On behalf of London's higher education institutions, London Higher wishes to work with partners to **develop a framework that changes the narrative about the impact of creative and cultural higher education institutions (HEIs) in London.**
17. This project aims to inform the policy debate about creative and cultural institutions, their impact and their funding. The work wishes to move the debate beyond narrow measures of economic impact or return on investment to thinking about wider measures of impact, for example impact on innovation, social capital and place. **In the short term**, the project needs to inform DIUS and HM Treasury discussions about how the £6 billion research budget might be cut. **In the longer term**, the project needs to provide a framework that can develop over time and be used by policymakers and those running HEIs to inform how creative and cultural institutions are funded and run.
18. To do this the project needs to test the following hypotheses:
 - a) Creative and cultural higher education institutions and faculties have a distinctive impact upon the economy, society and city in which they are based
 - b) Understanding more about the impact of creative and cultural HEIs and faculties is valuable and will help policymakers to evaluate the impact of creative and cultural HEIs more effectively as well as to make more informed funding decisions.

19. To test these hypotheses the project needs to both **map** existing knowledge and the work ongoing in London HEIs, and **model** the different impacts of this work to understand more about the different outcomes that cultural and creative higher education institutions can have upon the economy, society and city in which they are based. The focus on institutions – meaning faculties and London institutions - means this work will need to consider a range of indicators, including the impact of physical buildings, the impact on people such as students and the impact upon the wider economy. The work will need to consider which impact measures are most relevant and the modeling needs to focus on process as well as outcomes.
20. Building on the mapping and modeling work, **the project should set out a clear narrative and framework, underpinned by measurements**, about where creative and cultural institutions have a distinctive impact upon the economy and society of London. It is important this work gives HEIs a script that is broadly understood and provides consistency among the sector about the impact of creative and cultural higher education institutions and how this can be measured most effectively.
21. The work should **focus on London as a case study** of the impact of creative and cultural HEIs because London has a high concentration of creative and cultural industries, as well as a critical mass of HEIs willing to engage in this research. The project needs to acknowledge that London is a distinctive case in the UK because of its role as a large global city but should also consider how practice in other UK cities and regions could be informed by the findings.
22. The project should **not** focus on narrow statistical modeling on its own: this will not achieve the objectives of understanding impact. Nor should the project seek to make a case for the distinctive impact of creative and cultural institutions without clear evidence, drawing on both quantitative and qualitative indicators. It is vital that this project is not a 'sales pitch' but a credible project that highlights where creative and cultural HEIs do and do not impact upon the economy, society and city in which they are based.

Audience

23. The project's primary audience is national policymakers in HM Treasury, the Department for Innovation, Universities and Skills and the Department for Culture, Media and Sport. DIUS will be particularly important for influencing discussions at HM Treasury. I
24. The secondary audience for the project is HEFCE and the Research Councils. Their budgets are set nationally but they also have a significant impact upon the way in which research is funded.
25. The tertiary audience is higher education institutions themselves, as this project and the proposed framework needs to be useful to HEIs in London and beyond, to help inform policy, practice and evaluation. The aim is that the framework will be one that HEIs can adapt to their own institution and apply in order to measure their impact and inform strategic decision-making.

26. Students, families, the wider public and businesses will not be core audiences of the report, but the aim is that the findings will be of use to them. For example, the findings may inform the way in which HEIs and businesses work together. This means that the findings will need to be accessible and available to a wide range of audiences.

Purpose of the Framework

27. The main aim of this work is to develop a Framework that supports a new narrative about the distinctive impact of creative and cultural HEIs. This Framework should enable the relationships between institutions, and between the institutions and wider outcomes, to be assessed. This means modelling the interactions between HEIs themselves, thinking about inputs and the scope of outputs (both those that are easily measured and those that are less easily measured) and considering relationships between institutions and the wider innovation system, London's creative and cultural businesses etc.

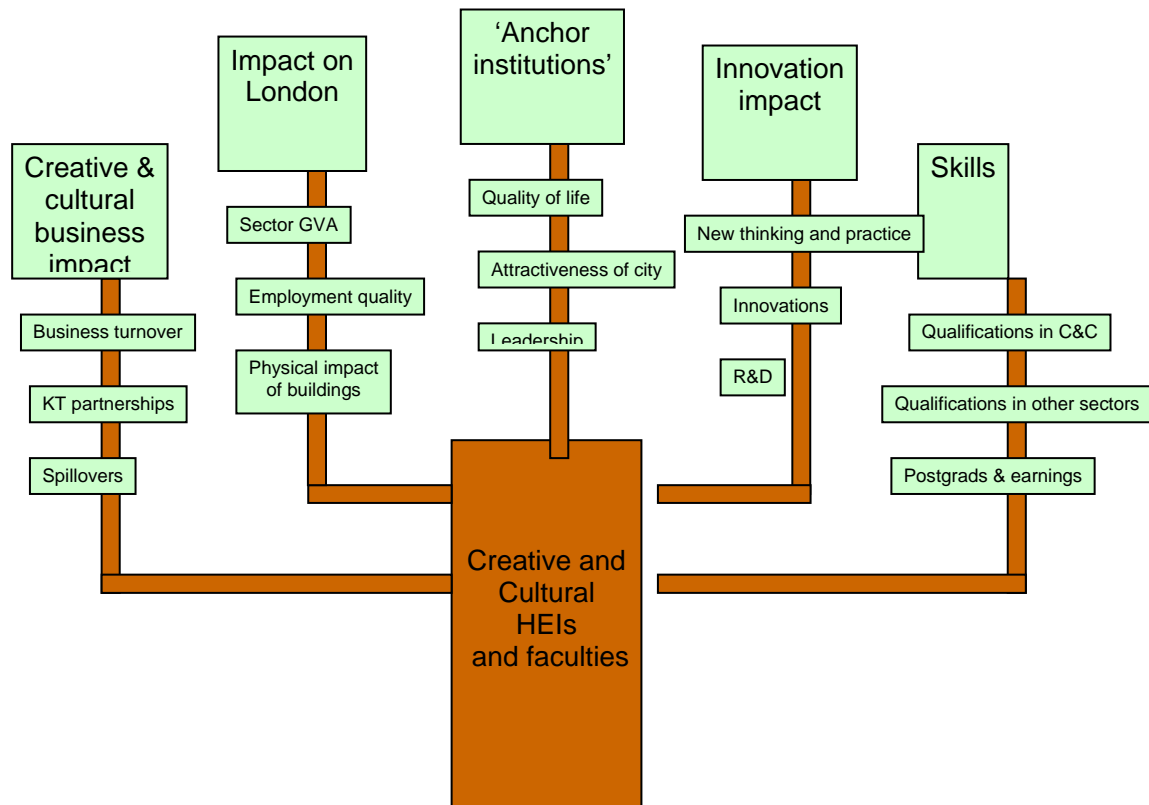
28. This Framework should be able to function at three levels:

<p>Level 1: Conceptual</p>	<p>At its highest level the Framework may be used to graphically represent the complexity of impacts and relationships that we believe exist in creative and cultural HEIs. This helps to rebut the 'brutal question' about what impact creative and cultural HEIs have by contextualizing simplistic input / outputs within a framework of much broader, interconnected impacts, demonstrating that you cannot ask 'the brutal question' in isolation.</p>
<p>Level 2: Exploratory</p>	<p>At a second level the framework may be used by policy makers to come to more informed decisions about the effects of funding and changes to funding. It will illustrate the interconnections and the knock-on effects of funding shifts; it may be able to model these; it will demonstrate the value-added of seemingly 'uneconomic' activity; it will start to explore by what mechanism impacts in this sector accrue and therefore how they can be more efficiently promoted</p>
<p>Level 3: Diagnostic</p>	<p>A third level of functionality may be to help individual (or groups) or HEIs assess their impact performance; they may produce impact maps themselves; these may indicate where they perform strongly and where there is space to develop. Such a diagnostic tool will be valuable to HEIs in planning their development and allocating their resources, as well as informing how they might work in partnership with other institutions.</p>

29. The Group's expectation is that the final Framework will act like a 'tree' with different branches reflecting the different impacts that cultural and creative HEIs

and faculties can have, and with different inputs and outputs for the different impacts. An example of what this could look like is below in Figure A.

Figure A: Illustration of possible 'tree' framework



Approach

30. This project should both map what is happening and model the relationships between different outcomes. The short timescale for the project means that there needs to be a considerable amount of work in a short period of time, and then a plan for a longer period of time. To do this the project will have four phases.

31. **Phase 1 is the Architecture Development.** This phase will develop the architecture for the framework, using a moderated open tool project. This will involve setting up a Technical Working Group in order to create a Wiki to be able to model inputs, outputs and outcomes, linking different connections and relationships. This phase of work will build on existing knowledge and will not focus as much on content as on the technical architecture for the framework. The Technical Working Group has already been set up and this phase is due to complete by Christmas 2008.

32. **Phase 2 is Developing the Framework.** This phase will focus on developing the content for the framework. This will be done in a range of ways:

- i. Seminars and workshops for London HEIs: Stakeholders from different disciplines within creative and cultural HEIs will be asked to attend workshops during January and February. They will be tasked with adding to the 'required reading' list for the project and asked to help with the mapping of existing work. They will also be asked to help to populate the Wiki by suggesting inputs and outputs for different indicators of impact, suggesting where relationships need to be represented and suggesting where content already exists on which the framework could build. Where assumptions about relationships have been made, these will be tested on participants in the workshops. These seminars will help to disseminate the work and to build up the content and relationships.
 - ii. Economic modelling: Economic modelling would be undertaken during January and February to understand the relationships between different indicators, to identify input and output measures (both quantitative and qualitative) and to start to be explicit about assumptions and relationships. This economic modelling would need to include initial assumptions about the importance of different connections and weighting different inputs, outputs and outcomes. This would be informed by the seminars and workshops.
 - iii. Review of literature and available data: Each institution agreed it was likely to have fairly detailed, descriptive research on its own area. Volunteer institutions will provide access to this research to a lead person who will collate this and review it critically to identify the most relevant work. The literature review will not aim to map everything in this area but instead be used to ensure that the project remains new and innovative, that the questions and hypotheses are correct and that, where possible, the relationships in the Framework are underpinned by evidence. Relevant work does not need to be restricted to research on creative and cultural industries.
 - iv. Verifying the Model. This phase will focus on testing the assumptions that have emerged to date. This will be done using a workshop for key stakeholders including policymakers from HM Treasury and DIUS. Academics will be asked to comment on the Wiki Framework and to continue to provide insights into how relationships and input/ output indicators can be improved. Initially this verification needs to take place during March 2009, in preparation for submitting this framework and the indicators of the impact of creative and cultural HEIs to HM Treasury and DIUS at the end of March 2009.
33. Much of the work in Phase 2 needs to be done during January, February and early March 2009.
34. **Phase 3 is Reworking the Framework for Policymakers.** This short phase will focus on reworking the model so it can be used as a tool for policymakers considering funding decisions and for leaders of HEIs developing the content for the framework. This will be based on the workshop findings and literature review and involve reviewing what the implications of the work to date are and presenting these in a short report as recommendations for policymakers and HEIs. This should be launched to key stakeholders at an event to ensure the work has a high profile and should happen in March / April 2009.

35. **Phase 4 is Building the Framework over time.** Key elements of this phase are likely to include:

- i. Developing the Wiki and Website: As content for the Framework increases, the Wiki will need to be developed, as will the website at which it is hosted so that it is accessible and easy to use.
- ii. Gathering further information: The website should provide a facility to capture relevant literature and new insights from policymakers and HEIs, enabling the relationships in the Framework to be regularly improved. There should be some ongoing work on a regular basis to review recently published literature and update the Framework accordingly.
- iii. Improving economic modeling: This will involve developing algorithms on a larger scale, taking into account emerging research and work ongoing in institutions.
- iv. Institutional data gathering: Institutions discussed volunteering to apply the Framework to their own institution and to gather data, both quantitative and qualitative, that could be used to feed into the Framework and improve understanding of relationships.
- v. Institutional application: HEIs could weight different elements of the Framework, according to their particular specialism, and then use the Framework to consider their impact and review where it could be improved.
- vi. Dissemination: Regular events to disseminate the key findings.

Estimated Timings and Costs

36. Estimated timings and costs for the work are set out below (Table 1).

37. These estimated costs may vary according to how much work is undertaken in-house and the specialist estimates of cost to undertake the economic modeling etc.

Team

38. A Steering Group needs to be set up to manage the overall project and oversee economic modelling and developing understanding of qualitative impacts. This group will be an invited group with representatives from different London HEIs.

39. For the first phase of work a Technical Steering Group has already been created to oversee development of the architecture. Specialists will be required to be commissioned for the economic modelling work, whilst the seminars will need to be facilitated (in-house or commissioned) in order to ensure they are focused and generate maximum value for the time being invested.

40. Key stakeholders also need to be identified and managed throughout the project, with a clear dissemination strategy developed by the Steering Group.

Table 1. Estimated project structure, timetable and costs

Phase	Description	Output	Timescale	Estimated Costs
Phase 1: Architecture Development	Development of the technical architecture for the Framework through the Technical Working Group.	Framework concept to show to HM Treasury	By Christmas 2008.	£15K (including costs of group and technical architecture)
Phase 2: Developing the Framework	Development of the content of the Framework, identifying relationships and assumptions through a series of seminars, gathering data from key institutions and putting these into economic models. The seminars and workshops will also enable short term verification of the model as it progresses.	Updated model including qualitative and quantitative outputs and economic modeling of relationships, dissemination of project,	Jan – Early March 2009	£55 - 60K (assuming £25K for economic modeling, £20K for five events (including one with policymakers), £10K for literature review, £2K project management)
Phase 3: Reworking the Framework for Policymakers	Reworking the Framework to enable policymakers to use it to make decisions about funding and to support HEIs to make decisions about where to prioritise investment in creative and cultural faculties to maximise impact.	Short report outlining how the concept can be used	March 2009	£15K to write the report and launch it
Phase 4: Building the Framework over time	This is about ensuring that the Framework is sustained and improved over time through engaging with institutions to help gather data to inform inputs / outputs and to use the Framework, disseminating findings and investing in the development of the website, the Wiki and the economic modeling.	Ongoing development of the framework and use by institutions and policymakers	Ongoing from March 2009	£30K pa (assuming £5K technical maintenance, £10K pa economic modeling, £10K to gather information from institutions, £5K for annual event)

Outcomes

41. This project aims to achieve four main outcomes.
- 42. First, this project aims to change the narrative about creative and cultural higher education institutions and faculties by demonstrating what the distinctive impact of creative and cultural HEIs and faculties is.** One of the main objectives at the start of this project was to change the conversation about the impact of creative and cultural industries from focusing on whether they are distinctive to demonstrating how they are distinctive, how this can be measured, and what this means for policy. This means the results of the work will need to widely disseminated in order to inform broader conversations between policymakers, HE institutions, academics and thinkers in this arena about the impact of creative and cultural research and HE institutions.
- 43. Second, this project aims to inform short term funding decisions being made about the HE research budget in spring 2009.** In the context of the economic downturn and the squeeze on public spending, there is an increased emphasis on 'selectivity' and assessing impact. A key project outcome is to inform the thinking about selectivity and impact, and to feed into decisions about funding allocation.
- 44. Third, the project aims to establish a rigorous evidence base in this area that informs thinking about metrics and on which future researchers and policymakers can build.** There is a clear gap in research on the distinctive impact of creative and cultural industries and a core outcome of this project is that it should start to answer some of the questions in this area as well as contributing a rigorous framework and methodology that can be used by future researchers and policymakers.
- 45. Fourth, the project aims to be useful to debates, policy and practice on the spatial impact of creative and cultural industries.** Many RDAs, sub regional partnerships and local authorities are engaged in this area and this project aims to contribute to the evidence base through developing insights about the contribution of creative and cultural HEIs and faculties in London.

Risks

46. All successful projects need some form of risk register to identify and manage potential risks to achieving the outcomes outlined above. The risk table below suggests some of the potential risks and how these might be managed.

Risk Type	Likelihood to impact on project if not addressed	Proposed mitigation
Project timeline is too tight to inform Spring 2009 review	High	Architecture Development is on track and seminars and workshops need to be put into people's diaries early to ensure they can run in Jan / Feb. A project coordinator needs to be appointed to manage timings and policymakers

		from DIUS / HM Treasury need to be kept updated on progress so they can inform latest thinking into their work, even if it is not all finalised.
Cannot find economists to meet Spring deadline	High	Need to use contacts to identify economists who can deliver the work within the timescale.
Technology relies on having the content, but the process requires the technology before the content	High	Need to ensure that workshops all have a 'straw man' about the impacts of creative and cultural HEIs and faculties, whether on the wiki or on paper. This will ensure that time is used effectively in those workshops. If the technology needs to be developed after the framework then those developing the wiki must be in the workshops and time allowed for them to do this.
The distinctive impact of creative and cultural industries cannot be measured	High - medium	It may be very difficult to generate metrics that are both credible and possible to assess on a large scale. Regular engagement with policymakers will be required to understand what metrics they think are acceptable and to identify how the project might work through areas that are harder to measure.
Changing the narrative is too ambitious	Medium	The project should aim to change the narrative and ensure that there is a strong dissemination theme running throughout the work. Even if the project does not change the narrative of the overall debate, focusing on the key audience – DIUS and HMT policymakers – will achieve the overall purpose of changing the narrative at a policymaking level.
The project only has a short term impact and does not affect the debate long-term	Medium	The project needs to engage HEIs so they have an interest in sustaining the work and continuing to add data and information to the framework, with a focus on evaluating the work after three and five years.