

SCOTTISH ENTERPRISE
EDINBURGH AND LoTHIAN

CREATIVE EDINBURGH LIMITED
EVALUATION AND ECONOMIC
IMPACT ASSESSMENT

Final Report

By

Jura Consultants
Economic & Financial Analysis

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JURA CONSULTANTS
ECONOMIC & FINANCIAL ANALYSIS

JURA CONSULTANTS
22 GREAT KING STREET
EDINBURGH
EH3 6QH

TEL. 0131 625 6500
FAX. 0131 625 6501

Admin@jura-consultants.co.uk

www.jura-consultants.co.uk

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1.0 INTRODUCTION

1.1 Introduction

This report sets out the evaluation and impact assessment of Creative Edinburgh. The report contains information gleaned from a variety of sources. The conclusions are however those of Jura Consultants.

1.2 Background

Creative Edinburgh was established in November 2000 and launched by Terence Conran at Napier University as an industry body and networking group for the creative sector in Edinburgh and Lothian, supported by Scottish Enterprise Edinburgh and Lothian (SEE&L) and the City of Edinburgh Council. A part time project manager with SEE&L managed and administered the organisation, running high-profile events, creating marketing materials and a brand, obtaining media profile for the members and the organisation where possible, building a website and a database of members and obtaining a degree of private sponsorship. The project manager left SEE&L in 2004 and the organisation was handed over to the industry, represented by a steering group who formed the Directors of a limited company, Creative Edinburgh Limited.

During 2003 – 2005, Creative Edinburgh has been managed and administered by a voluntary Board of Directors which has reported success in increasing membership to over 350 companies, increasing web traffic and obtaining media attention, and marketing the organisation through a Ministerial Reception at the MTV awards in November 2003 and the distribution of a "pizza" CD-Rom at the digital media festivals to potential clients. During this period, the organisation was wholly funded by SEE&L, to deliver an events programme, website and marketing communications. Funding was awarded for 2005/06 to continue these activities however SEE&L took over the administration and delivery of the events programme.. This review is intended to inform future investment decisions by SEE&L.

1.3 The Study Brief

The following objectives were defined for the study in the brief issued by SEE&L:

- Assess the performance of Creative Edinburgh Limited over the period from April 2003 to present, against SEE&L's targets and any others identified by its Steering Group and members
- Identify economic benefits to the members, the sector and to Scotland which the organisation has achieved expressed both quantitatively and qualitatively (GVA)
- Assess demand and the customer base e.g. Senior Management, Company personnel, Self-employed, Students

- Compare the model of Creative Edinburgh Limited as an industry body with other organisations with similar objectives such as The Lighthouse Glasgow, Interactive Tayside and other successful models across the United Kingdom and beyond
- Identify other potential delivery mechanisms and partners, e.g. through universities, private sector organisations etc
- Identify the optimum business model should the intervention continue
- Identify other potential sources of funding contributions
- Determine whether the budget represents a value-for-money investment for SEE&L and make recommendations with regard to future funding

A commissioning meeting was held on the 7th of July 2005 to discuss the wider aspirations for the study and to identify particular issues to be addressed. The following additional issues were identified:

- Does the Creative Edinburgh Ltd initiative receive the credit it deserves?
- Consider networking models in other sectors to identify if there are other models which are working better
- An assessment of the potential market for further recruitment is important for sustainability and impact of the initiative
- Identify and consider existing partners' views of Creative Edinburgh and means of securing in-kind or financial support.

2.0 CREATIVE EDINBURGH LIMITED

2.1 Introduction

This section provides background information explaining the history and development of Creative Edinburgh Limited.

2.2 History and Development

Creative Edinburgh was launched in 1999 to bring together the creative industries community in Edinburgh, encourage growth in the sector and to raise ambitions of those companies involved in commercial creativity.

It was set up and run by SEE&L for three years before being passed over to the industry to be run as an industry body. In April 2003, Creative Edinburgh was registered as a limited company, with a Board of Directors which includes the following individuals:

- John Denholm: Chairman of Creative Edinburgh
- Marie Storrar, Spring Corporation
- Graham Duffy, Graphic Design
- Jinnie Atkinson, Managing Director, Edinburgh International Film Festival
- Dave Cummings, Screen Base
- Colin Bryce, Dean, Faculty of Arts and Social Science
- Brent MacGregor, Vice Principal, Edinburgh College of Art

The Board is complemented by three observers. These are:

- June Allison Edgar, Creative Industries Manager, Scottish Enterprise Edinburgh and Lothian
- Campbell Melee, Scottish Enterprise Edinburgh and Lothian
- Shona Marshall, City of Edinburgh Council, Economic Development Department

SEE&L defines the creative industry sector as that involving the creation of digital content, including sub sectors of film, television and radio, advertising, architecture, music, new media, publishing and design and wishes to focus on digital media.

Initially, a project manager undertook administration and organised events for Creative Edinburgh. The post holder left the organisation in February 2004 which left the Board to organise events and undertake all administration and development work. During the 6 months following the departure of the project manager, the organisation became quiet and few activities were undertaken.

2.3 Aims and Objectives

Creative Edinburgh has two broad objectives:

1. To encourage networking and collaboration amongst creative companies in Edinburgh in order to raise standards and ambition
2. To promote the quality of Edinburgh's creative companies to the wider world.

The Directors of Creative Edinburgh held an away day during April 2005 which aimed to identify the strategic direction of the organisation and to inform future activity. The outcome of the away day resulted in the production of a business plan for 2005 – 06. The following section provides details of the aims and objectives identified by the Directors within the business plan. These have been included to provide an indication of the aspirations of the Directors for Creative Edinburgh.

Creative Edinburgh exists to achieve the following:

- To bring together and help connect companies within the creative industries cluster
- To stimulate and support the growth of creative industries in Edinburgh
- To promote creative industries within and beyond Edinburgh
- To promote and encourage networking and learning across the cluster
- To celebrate success and promote the work of creative industries

Opportunities to expand and re-focus Creative Edinburgh have been identified by the Directors. These are:

- Become a 'promoter' rather than a 'provider' of events, thereby tapping into a wider range of events. Creative Edinburgh intend to deliver 2 / 3 events per annum, rather than 10 at present
- Stimulate economic growth for creative industries by acting as an incubator
- To work with educational establishments in developing / promoting career development
- To help prevent the 'brain drain' in Edinburgh
- Align creative industries more effectively with the cultural sector
- To celebrate the success of Edinburgh's creative industry and promote success throughout the world

This business plan was submitted to SEE&L but rejected.

2.3.1 Scottish Enterprise

Scottish Enterprise's strategy, *Creative Scotland: Shaping The Future*, provides a framework for a £25 million investment plan, and outlines four strategic priorities for the development of Scotland's creative industries for the next three to five years.

Scottish Enterprise wants to:

- develop a dynamic business environment;
- develop and expand the talent and skills base;
- increase innovation; and
- enhance the international reputation of Scotland's creative industries

Scotland has the highest concentration of creative industries in the UK out with London, and the sector makes a significant contribution to the Scottish economy. Already a number of companies have achieved notable success in a number of niche areas. The challenge is how this is built upon for the future and successfully harness the opportunities created by new technologies and emerging markets. By working with the industry and key partners from the private and public sectors, Scottish Enterprise believes that Scotland can achieve success in the global marketplace. In particular, the digital content industries, where technological change is creating dynamic new markets, offer the most attractive opportunities for growth. This area is forecast to grow by 20% a year. For Scotland, this provides substantial potential for development and Scottish Enterprise are committed to encouraging new commercial ideas.

2.4 Scottish Enterprise Edinburgh and Lothian

SEE&L's requirements of Creative Edinburgh are as follows:

- Run 10 events, providing detailed accounts of costs
- Put in place a programme which allows at least one month's notice to members of an event, and preferably profiles planned monthly events in advance.
- Maintain a database of members. Specific company contact lists should be maintained and every individual should receive at least one email monthly encouraging participation
- Confirm current membership lists and plan a recruitment drive
- Plan and undertake a sponsorship drive
- Maintain statistics of attendance and web traffic
- Incorporate Creative Edinburgh into the Networking infrastructure of the Lothians and Scotland by building relationships with other organisations, e.g. McMedia, Long Lunch, the Lighthouse
- Promote Creative Edinburgh and maintain a press folder
- Hold monthly meetings with a clear agenda and minutes

3.0 PERFORMANCE ASSESSMENT

3.1 Introduction

This section considers the performance of Creative Edinburgh in achieving the objectives over the period April 2003 to present. The assessment considers performance against SEE&L's targets and those identified by Creative Edinburgh's Steering Group and members.

3.2 Outline Strategy to 2010

In June 2003, Creative Edinburgh Limited produced an outline strategy to 2010. The strategy aimed to address the lack of a focal point for creative industry companies in Edinburgh which resulted in missed opportunities to build business relationships, share resources, exchange ideas and technologies and gain critical mass. The strategy identifies broad headline objectives for each year from 2003 to 2010. Details of this strategy are provided below:

2003

Aim: to further the city's status as a 'centre of excellence' for creative industries by:

- Building commercial support for Edinburgh's creative industries locally, including links and cross-trade among local creative businesses themselves
- Encouraging world class standards – forging links between education and industry and promoting training and continuous professional development within creative businesses
- Raising Edinburgh's profile nationally and internationally, through industry representation

Aim: To attract a wide cross section of creative industries to get together regularly, raise and discuss important strategic issues and build critical mass

- Devise monthly programme of same time / same place events,
- Establish how sub groups can support local colleges to encourage professional excellence

2004

Aim: to create a professional, staffed centre – dedicated (but not necessarily exclusive) to creative industries. Must be well designed, culturally interesting, to appeal to all 'creatives'

- Mix between practical, professional resource hire facilities, resources. (Wireless connection to web, trade magazines, meeting room, projection etc, and bar and catering a la Soho House)

- Possibility of integrating existing trade 'secretariats' such as Film Focus, IPA etc
- Possibility of finding commercial partner for catering / bar.

This review considers the targets and achievements for 2003 -2005. In this context the strategic objectives for future years are less important. However in summary, the following aims were identified by the Board:

- 2005: to revive Edinburgh as a centre for publishing and intellectual / cultural leadership
- 2006: to develop a 'year round' centre to leverage Edinburgh's reputation as a force in world cinema
- 2007 on: to plan and finance world beating creative industries and cultural attraction, and to create an international event centre where excellence in commerce and culture meet.
Launch of the 'Connery Centre'

The strategy is broad and demonstrates a commitment to creative industry however there is a greater emphasis on film. Priorities / aims of the strategy are defined however there is / was no real detail in why these activities were to be pursued or how they would be achieved. Similarly, the need for accommodation for Creative Edinburgh was identified in the aims however this is taken further to the point of creating a cultural attraction. Finally, it is unclear why the strategy identifies reviving Edinburgh as a centre for publishing as a key objective.

Achievements in 2003 / 04

During 2003 / 04, Scottish Enterprise Edinburgh and Lothian provided £60,000 to Creative Edinburgh to support the delivery of 10 events at a budgeted cost of £5,500 each, 'maintenance of e-commerce' at £500 and maintenance and amendments to the web directory at £5,000. Creative Edinburgh was expected to raise £25,000 of income from the following sources:

- Membership - £10,000
- Events - £5,000
- Sponsorship - £10,000

Funds raised by Creative Edinburgh would be used to cover the costs of project management (£9,000), general expenses (£1,000) and advertising and marketing Creative Edinburgh.

During 2003 – 04, an Administrative Director was employed / commissioned by Creative Edinburgh to assist in the management and delivery of the events programme. No additional funding was secured by the Board of Creative Edinburgh to deliver additional services and activities.

SEE&L's expectations of Creative Edinburgh and its achievements are identified in the table below.

TABLE 3.1 OBJECTIVES AND ACHIEVEMENTS 2003-04		
Objective	Activity	Achievement of Target
Deliver 10 events	7 events were delivered attended by 390 people	No
Operate the Creative Edinburgh Website	The website was launched	Yes
Promote Creative Edinburgh and its Activities	MTV pizza box Website promotion and newsletters	Yes
Generate Partnership Funding	None	No

3.3 Plan and Achievements for 2004 / 2005

The business plan produced by the Creative Edinburgh Steering Group does not provide targets for the scale of activity and engagement in 2004 / 05. A planned fundamental shift in the operation of Creative Edinburgh was identified in the business plan. The organisation intended to focus on particular sectors within the creative industry to encourage networking and sector / company development. Two sectors of the industry would be targeted each year of the three year plan. This is considered below:

Year 1:

- Advertising
- New Media / Graphic Design

Year 2:

- Film / Photography
- Publishing

Year 3:

- Architecture
- Music

Within each sector there would be speakers / exhibitions / workshops with a specific event designed to allow suppliers to meet potential clients. Opportunities for associated PR coverage would be used to full advantage. This proposal was rejected by SEE&L and Creative Edinburgh continued to operate in a similar manner to 2003 / 04, i.e. delivery of events which are broadly relevant to the entire creative sector.

Targets and Performance 2004 / 05

This section considers the targets set by the Steering Group within an activity matrix and the targets set by SEE&L.

Creative Edinburgh Limited, Steering Group Activity Matrix 2004 / 2005

The following matrix was devised by the Steering Group and appended to the business plan to inform future activity and to develop the organisation. A target date for completion of each task was identified.

	Objective	Activity	Achievement
1	Run 10 events	10 events were delivered between April 2004 and May 2005. At December 2004, it was noted that 5 events were to be delivered within 3 months. Eventful Scotland were employed to deliver 4 events.	The objective was achieved within a wider timescale than envisaged
2	Plan the programme and give members at least 1 months notice of an event	In several instances, members were given less than one months notice of events. This was due to difficulties planning the programme of events	No
3	Maintain a database of members	A database of members has been created including contact details etc	Yes
4	Plan recruitment drive	At Christmas 2004, a prize draw was held for new members joining before a cut off date. The winner received an iPod. 30-40 new members were recruited.	An initiative was developed however this is not considered a 'drive'
5	Plan and undertake a sponsorship drive	None	Not delivered
6	Maintain statistics of attendance and web traffic	Statistics have been recorded by Creative Edinburgh	Yes
7	Incorporate CE into the networking infrastructure of Edinburgh	One activity has been undertaken with Long Lunch	Modest achievement
8	Promote CE and maintain a press folder	No real press coverage	No
9	Hold monthly meetings with a clear agenda and minutes	Meetings held, agenda distributed and minutes distributed	Yes

SEE&L Targets for 2004 / 05

The following targets were stated in a paper entitled 'Creative Industries and Digital Media Events 2004 / 2005' dated 21st June 2004. Specific target measures are considered below alongside a statement of the extent to which these targets were achieved by Creative Edinburgh.

Objective	Activity	Achievement
400 individuals attending events	323 people attended events	81% of target achieved
200 companies attending events	233 companies attended events	Yes
3,000 website user sessions and enquiries	17,158 user sessions	Yes
Increased membership and participation	98% increase in membership from August 2004 - 05	Yes
Access to external networks and organisations	Joint event with Long Lunch	Yes

No quantitative measure of success was set for increased membership and participation. We recommend that in future that SMART (specific, measurable, achievable, relevant and timed) objectives are clearly stated which define the measure of change expected for each objective. Membership increased by 91% from August 2004 to the end of May 2005, when 348 members were registered. Jura Consultants has had access to the existing updated database and at August 8th 2005, there were 360 registered members of Creative Edinburgh resulting in a total increase of 98% in 11 months.

Increased participation will include a number of different aspects, e.g. targets 1 – 3 identified in the table above. We consider that an appropriate measure of increased participation would be the number of unique members, the number of members attending multiple events and using the website on a more frequent basis.

3.4 Summary

Based on the desk based review of documentary evidence, it is apparent that Creative Edinburgh has achieved several of its objectives, which is encouraging considering existing constraints. We consider that the ability of Creative Edinburgh to achieve all objectives has been considerably constrained by the level of resources and uses to which resources were put. It is clear from reviewing the documentation that if additional resources were available, a more strategic approach could have been taken which may have delivered a more effective and efficient organisation. That said, the inability of Creative Edinburgh to secure additional funding through other sources has contributed to the level of performance reported.

The budgeted use of funding in 2003/04 with an event expected to cost £5,500 is excessive and is cause for concern. We consider that greater strategic benefit could have been achieved if the Board had decided to use some of its funding to employ a full-time project manager dedicated to the development of Creative Edinburgh.

4.0 COMPARATIVE ANALYSIS

4.1 Introduction

This section considers similar organisations and networks operating within the creative industry and other sectors throughout the United Kingdom. The following initiatives have been investigated:

- The Lighthouse, Glasgow
- Interactive Tayside
- Association of Scottish Visitor Attractions
- Cultural Enterprise Office
- Oxmedia Network, Oxford,
- Fresh Creative Industries Network
- Creative London
- Creative Industries Network, www.cin.co.uk
- Second Wednesday
- Photographers Direct
- www.creativematch.com
- McMedia
- Showcase Scotland
- www.shoutinfo.info

4.2 Summary of Comparative Review

The following table summarises the comparative review undertaken to consider the business models, aims and objectives and activities of similar networking organisations. Full case studies are provided in appendix A.

TABLE 4.1 REVIEW OF COMPARABLE ORGANISATIONS				
ORGANISATION	AIMS	ACTIVITIES	FUNDING	STAFFING
Creative Entrepreneurs Club	Develop CEC as the Gateway to Scottish talent	Events and Workshops Website Newsletters	Membership fees Scottish Enterprise Glasgow	Project Manager
Interactive Tayside	Grow digital media sector	Events Networking Website Advice	SET, Angus, Perth and Kinross, Dundee City Councils, University of Dundee, Abertay, Angus, Perth and Dundee Colleges	Part time project manager
Association of Scottish Visitor Attractions	Support the visitor attraction sector	Events Newsletters Advice and support ASVA passcards Industry information	Membership fees	Full time staffing complement
Cultural Enterprise Office	Support new and developing cultural and creative businesses	Events Advice and support surgeries CPD seminars Fact sheets	Scottish Enterprise National, ESF, Scottish Arts Council Glasgow, Aberdeen and Dundee City Councils, Edinburgh College of Art £990,000 budget over three years	Regional project staff, including Edinburgh based, Expert pool and specialist advisers
Oxmedia Network, Oxford	Break down barriers between sectors	Events Seminars Subsidised training Newsletters Website	Membership fees	Project manager
Fresh Creative Industry Network	Develop the creative sector	Forum Newsletters Seminars on business development Website	Business Link, North West Development Agency, ERDF	Project manager

Creative Industries Network, Derbyshire	Grow business through support, advocacy and peer guidance	Events, signposting Showcase of activity and achievement	Arts Council England, Derbyshire Economic Partnership, EM- Media	Full time coordinator and admin assistance
Second Wednesday	Promote best practice and act as a focal point for creative industries	Networking Details of tenders Downloadable resources Special Events	Membership is free East Midlands Media ERDF, East Midlands Media Network Limited	
Photographers Direct	Fair trade photography brokerage	Online photographers brokerage – connecting buyers and sellers	Membership organisation – funds generated through commission or annual membership	Full time staff
Scottish Publishers Association	Network for Scottish publishers and promoting publishers abroad	Events and seminars Training	Membership fees	
www.creativematch.com	Connects suppliers to buyers of creative services – covers the whole of the UK	Online directory and shop Showcase of work Forum for discussion	Commercial organisation charging membership fees. No public subsidy	
Chamber of Commerce	Assist business to develop and achieve maximum potential	Events Training courses Policy representation Advisory service	Membership fees	Fully staffed organisation
Entrepreneurial Exchange	Exclusive members club for entrepreneurs generating a turnover in excess of £500,000 per annum	Events Dinners etc Conferences Masterclasses Awards dinner Forums Database Suggestion box	Membership Fees	

4.3 Key Findings of Comparator Review

The Creative Entrepreneurs Club (CEC), operating from the Lighthouse in Glasgow, has a national remit which is intended to deliver activities and services for the benefit of creative companies and individuals throughout Scotland. There is a real perception within the membership and other organisations that this is a Glasgow focused organisation for the benefit of companies located in Glasgow. There is real potential to develop partnership working arrangements between CEC and Creative Edinburgh.

The following key findings were identified during the comparator review:

- All comparator models have dedicated staff resources to develop the organisation and its activities / services.
- Membership charges have been introduced by several organisations to assist in the delivery of services and activities, however other organisations such as Interactive Tayside continue to operate free membership and participation programmes with financial support from local authorities, Scottish Enterprise and the academic sector.
- Several other organisations have a focus or emphasis on business development – focusing on skills development and providing opportunities to access new markets / client bodies
- There is existing infrastructure in place at present within Scotland, i.e. Cultural Enterprise Office, Creative Entrepreneurs Club etc to allow Creative Edinburgh to work in partnership or utilise existing resources to achieve a more efficient and effective use of resources
- Additional services, such as connecting suppliers with buyers of creative services could be achieved at low cost

5.0 STAKEHOLDER CONSULTATION

5.1 Introduction

This section will consider the views of stakeholders including the following:

- Board members
- Academic sector

The following issues were discussed during consultation with the stakeholders:

- View of current operation and governance of Creative Edinburgh
- Opinion of future development and priorities
- Current issues for consideration
- Improvements which could be made to enhance the organisation
- Discussion of current performance and difficulties
- Current constraints
- Potential for future involvement

5.2 The View of the Board

Operation and Governance

Board members contacted were unanimous in the requirement to provide a more effective structure within Creative Edinburgh which would deliver a strategic approach to the development of the organisation and the sector. Central to the development of services and activities was the appointment of a project manager with a wide remit to stimulate awareness, interest and activity. It was indicated that Board members felt that without a dedicated member of staff the organisation would never develop or be driven forward.

Future Development and Priorities

The business plan submitted by Creative Edinburgh to SEEL for 2005 / 06, outlined the priorities for future development of Creative Edinburgh. However, in particular, the vision for Creative Edinburgh was summarised as:

- An organisation with its own accommodation and venue
- Staff of 2 or 3 people with a remit to generate income and sponsorship
- Appropriate budget to effectively deliver activities
- An annual exhibition or showcase of the work of Edinburgh's creative companies
- Trade delegations and awards

Current Issues

During 2005/06, the administration and delivery of events was undertaken by SEE&L. Thus far events have been held in July, August and September with a further event planned in October. The transfer of organisation and delivery of events to SEE&L should have no effect on service provision and members appear to be unaware of the transition. This arrangement was put in place to cover the period of this review, while potential development opportunities are considered.

The previous level of resources secured by Creative Edinburgh was an issue for all Board members. It was felt that insufficient funding was available to enable the Board to deliver on its objectives. It was accepted that this was partly due to Board members having insufficient time to dedicate to a fundraising or sponsorship drive.

Board members appreciated that there was an issue with the strategic direction of the organisation and the congruence between the expectations and activities funded by SEE&L and the objectives identified by Creative Edinburgh.

There is a perception that creative people are not very 'club-able', i.e. they don't want to feel tied to an organisation and would rather participate on an occasional basis when they feel that it would be beneficial.

In the main, the sector is made up of very small SME businesses which are often working at the limits of their resources and as such, any membership fee or expense of attending an event must demonstrate a return on both the financial and time resources expended. It is therefore vital for any future self-sustainability model that services and activities which are valued by the membership are provided.

Improvements to Enhance the Organisation

As indicated above, employing a staff resource was considered to be a key element in developing the organisation. The provision of SEE&L funding did not dictate the purpose for which funds could be used. It was well within the power of the Creative Edinburgh Board to employ a project manager / dedicated member of staff to deliver defined activities and services.

It is acknowledged that a project officer was employed on a consultancy basis during 2003/04, and administrative support was sourced in 2004/05, however the Board has indicated that it requires a dedicated staff presence which will drive the organisation forward. Board members were unclear why a decision was taken to not directly employ a project manager / co-ordinator.

There is a role for Creative Edinburgh to act as a broker between suppliers of creative services, i.e. members, and potential clients / commissioners of work. Events which bring together buyers and sellers of services is viewed as an important way of generating value and business development within the sector and may ultimately lead to financial self-sustainability due to members valuing the activities of Creative Edinburgh and willing to contribute financially to its operation and development. Creative Edinburgh must encourage dialogue and networking between the creative and the commercial community. Creative Edinburgh should have a greater focus on promoting the quality of Edinburgh based companies both within Edinburgh and throughout the country.

There is a real opportunity to work with other professional bodies to deliver added benefits to Creative Edinburgh members. Single discipline professional bodies clearly represent the interests of their members and sub-sector of the creative industry. There is a role for Creative Edinburgh to work between professional bodies to add value to their activities and where appropriate work in partnership to generate greatest benefit from resources expended and to maximise the reach of activities.

There is a view within the Board that all events should be delivered in partnership to maximise the reach of the event and to utilise resources most effectively.

The remit of Creative Edinburgh must be clarified to ensure that members are aware of what Creative Edinburgh does and can do for the sector. This would be enhanced by the presence of a dedicated staff member part of whose remit was to create an action plan and to identify the key roles and objectives of Creative Edinburgh

Board members indicated that there is a potential role for Creative Edinburgh to assist in general business development through the provision of start-up and development advice. It is acknowledged that this activity is currently delivered by the Small Business Gateway however there was concern that the Gateway provides 'generic' advice which would not be directly relevant to the development of creative businesses.

Current Performance

The Board indicated that Creative Edinburgh had merely scratched the surface with respect to what Creative Edinburgh could achieve given a higher level of resources.

5.3 The Academic Sector

There was a general awareness within the academic sector of the existence of Creative Edinburgh however there was a lack of understanding of what the organisations was established to achieve. There are clear links which could be developed between the academic sector for mutual benefit and development.

Networking

SHEFC indicated that it is currently supporting Higher Education Institutions with an interest in the creative industries within Scotland to establish a network to encourage collaboration, dialogue and networking to more effectively meet the expectations and requirements of the creative industries. A strategic funding bid will be developed and submitted to SHEFC by a working group established to progress this proposed project. There is clearly potential for Creative Edinburgh and other industry led organisations to engage with this developing initiative.

Skills Development and Continuing Professional Development

There is a potential role for Creative Edinburgh in the development of skills and promoting continuing professional development with academic partners. Similarly, Stevenson College indicated that it is currently experiencing difficulties in finding placements for students studying creative industry subjects. Creative Edinburgh could act as a broker between academic institutions searching for placements for its students. This would provide invaluable experience for students and support for creative companies which typically operate under staff and time resource constraints.

In summary, a more effective means of engaging with the academic sector is required.

Funding

Napier University has indicated that it is wholly supportive of the aims and objectives of Creative Edinburgh as they are congruent with the objectives of Napier University. Areas in which Napier would like to see Creative Edinburgh develop are marketing the creative talent to in Edinburgh to the wider world, to include the output of industry, the quality of the academic sector in producing graduates and the activities of its graduates. Further areas of interest to Napier would be in supporting Continuing Professional Development through the provision of learning opportunities and delivery of activities.

5.4 Potential Funding Sources

City of Edinburgh Council

The Economic Development Department of Edinburgh City Council confirmed that it continues to support the principle and concept of Creative Edinburgh, however due to previous agreements between SEE&L and City of Edinburgh Council that SEE&L would lead in the field of business development, no direct funding is available to support the core function of Creative Edinburgh. However, the City of Edinburgh Council has indicated that it is willing to contribute officer time and the use of the City Business Centre to host one event on behalf of Creative Edinburgh. The in-kind contribution made by the Council would be circa £5,000.

Napier University

Funding from Napier University to support Creative Edinburgh would be dependent on defined activities and proposals. There is the potential to secure partnership funding to support the marketing of the sector, if it included the academic sector and in particular Napier. Facilities could be made available to assist in the delivery of events, however acknowledgement was made of the internal charging mechanisms and current requirements that all in-kind support is reported at full economic value. There is a need to ensure that Creative Edinburgh functions as a productive network and not as a club, as Napier perceives that it has a genuine networking benefit which can create real partnerships within the creative sector. To this end, Napier has indicated a commitment to be able to support projects and initiatives in kind, subject to partners and businesses supporting these activities through cash provision. In addition, opportunities may exist via SHEFC to support initiatives delivered via Creative Edinburgh in addition to via the CEC. Examples could include training and professional development, a role in which Napier's Business School resources could be utilised in concert with their digital technology and creative strengths.

Overall, Napier is supportive of CE but await some concrete proposals from the Steering Group for project involvement in relation to the specific strengths which they possess, in addition to ensuring that there are benefits for their own objectives in the sector.

ICONS Funding

This potential source of funding was highlighted by SEE&L as a potential mechanism for addressing the future core funding requirements of Creative Edinburgh

ICONS is a project operated by the Scottish Development Partnership whose partners include Napier University (lead partner), East Lothian Council, Glasgow Caledonian University, Glenrothes College, Scottish Enterprise National and South Lanarkshire Council. The ICONS project has been established to address underperformance within the Scottish economy in regards to small business creation compared to the rest of the UK with a focus on creative industries. Through identifying and focusing on key business creation issues (online delivery), market sectors (creative industries), entrepreneur groups (refugees) and by acting innovatively ICONS expects to open up the business creation process, enhance new business creation and establish good practice in entrepreneur support. The objectives of the project are:

- Stimulate the Scottish business birth rate among key excluded groups
- Ensure an open business creation process for all, piloting activity in 2 or 3 regions
- Use business creation to alleviate rural and urban deprivation and further encourage quality in-migration
- Support business creation within the creative industry sector. Investigate and pilot innovative support structures to further encourage and open business creation.

Proposed Activities

- Support rural and urban business creation through measuring and harnessing economic development potential of cultural tourism
- Empower refugees / support groups and increase entrepreneurial activity. Identify and overcome existing barriers, assess the needs and causes of low entrepreneurial activity, train new starts and recommend support structures
- Support business creation within this complex, growth market sector. Investigate and pilot innovative support structures to further encourage and open business creation
- Encourage an innovative approach between public and private sector organisations in the use of new technologies to open the business creation process

The ICONS budget is circa £1.5 million over three years and there is existing potential to secure an additional £500,000 due to under spends in over regions. Through discussion with Ed Craig, the European Projects Director, the key issues to be addressed in gaining support from ICONS are delivering a distinct additional service / activity, addressing underrepresented groups (black and ethnic communities, disabled people, women, the elderly and the young), adding value for partners, and business creation.

There is potential to secure funding from ICONS however it is likely that this will be project specific rather than core funding. For instance, an event or course may be delivered to deliver activities / services to underrepresented groups.

Therefore in investigation of this funding source, it has become apparent that ICONS is unlikely to be a suitable vehicle for core funding of the project.

6.0 MEMBER CONSULTATION AND ASSESSMENT OF ECONOMIC IMPACT

6.1 Introduction

This section considers the outcome of consultation undertaken with members of Creative Edinburgh. A sample of 32 members from a variety of sectors was contacted.

6.2 Membership by Sector

The following table summarises the number of companies listed under each sector. Many companies are listed under several services / activities and as such, the following table considers the number of listings per sector rather than the number of companies.

Sector	Number of Listings by Sector	% of Total Listings
Architecture	52	5.3%
Design	346	35.3%
Music	36	3.7%
Publishing	58	5.9%
Advertising	124	12.7%
Film TV and Radio	138	14.1%
Multimedia	99	10.1%
Creative Services	127	13.0%
TOTAL	980	100.0%

The greatest number of listings were reported under the design, film, television and radio, and creative services sectors.

6.3 Issues Considered

The user consultation and assessment of economic impact was undertaken through direct consultation with a representative sample of members. The following issues were discussed:

- Length of involvement with the initiative
- Extent of participation in activities, e.g. every event, occasional, few, never
- Opinion of the Creative Edinburgh
- What the respondent believes Creative Edinburgh does
- What the respondents wants Creative Edinburgh to do
- Impact Creative Edinburgh has had on their business, e.g. resulted in new contacts which has led to work, request approximate value of work secured, assessment of additionality

- How could Creative Edinburgh be enhanced to provide added value to your business, e.g. wider membership, new sectors included,
- What are the key benefits of membership
- What are the key impacts on your business
- What does the sector need from a networking initiative? Are there alternative ways of delivering this?

The results of the consultation are presented both quantitatively and qualitatively as appropriate.

6.3.1 Findings from Consultation

General Observations

Due to the nature of membership and the time pressures placed on potential respondents during the consultation stage, it was difficult to engage with members to obtain feedback regarding their views of Creative Edinburgh. All consultations were therefore undertaken by telephone in order to suit respondents. It was interesting to note that several potential respondents were unaware that they were actually signed up 'members' of Creative Edinburgh and did not know why they were logged as members. It may be the case that previous employees had registered the company and had since moved on, or more worryingly some members have signed up and not been involved in any activities delivered by Creative Edinburgh.

There is a general sense that there is support for the concept of a networking organisation focusing on the creative industries. However, there is concern that the organisation is not delivering activities in a structured manner to ensure that the needs of members are satisfied.

Members View of Creative Edinburgh

There is an issue of awareness and understanding of what Creative Edinburgh is and is trying to achieve. This was reported by both new members and those who have been involved since the initiatives inception. One respondent indicated that they have worked in Edinburgh's creative sector for the last 5 years and been a director of an Edinburgh based design company for the last 2 and had only just heard of Creative Edinburgh.

The following summaries the comments and thoughts of members.

"Seem to be doing well in terms of the creative side but not so much on the technical"

- Fairly pro-active, good communication
- Improved recently due to more updates on the website and more emails with news
- Broad remit is good but everyone wants their own sector to be the focus

- There is a lot of confusion out there about Creative Edinburgh and it is not well signposted.
- "Appears as though one person is "running the show" and taking it on as their "baby""

One respondent indicated that the creative industry sector in Edinburgh is lagging behind other areas of Scotland and the United Kingdom and one reason for this is a lack of support and in particular access to finance and financial guidance, help and support for younger companies and networking opportunities.

There is a perception that Creative Edinburgh focuses on film rather than a broad range of creative activity.

Several respondents indicated that they were not sure what Creative Edinburgh does or what it is trying to achieve.

Events

- If events were more focused on business development and networking, respondent would be more likely to go
- Events have been enjoyable and interesting and the respondent has been able to network
- Events programme don't appeal to graphic designers and other sectors.

The events programme lacks coherent structure and strategy. There is a need to identify what they are trying to achieve.

Website

- Very good
- Provides good resource for contacts
- Useful tool, although not necessarily business development tool
- One Respondent indicated that they recruit staff solely through adverts placed on Creative Edinburgh website. This has resulted in attracting high quality candidates and the appointment of new staff
- The website could be enhanced by providing a chat or Q & A section

Reason for Joining

- Free web listing
- Networking
- Recommended, hoped to get some new work
- Promotion of business
- Wanted to be a part of it

- Extra exposure
- Web link and to identify people
- Chance to network
- Word of mouth recommendation
- Hoped to generate work from involvement
- Be part of the community
- Drum up business
- Promotion

Impacts on Businesses

- One respondent indicated that a lead was generated through Creative Edinburgh which resulted in the company securing a new contract worth £80,000.
- Company receives requests from students asking for work placements or full time job.
- None, the respondent indicated that she didn't use the directory herself
- As indicated previously, the recruitment aspect of the website has been used to advertise job vacancies, which has resulted in the appointment of new staff. This demonstrates real added value to members. As the service is free, considerable cost savings are reported by members over expenditure which would be incurred through more traditional means of advertising vacancies
- By definition, networks are 'portals for being nosey' and this has led to an improvement in market knowledge and awareness which can enhance efficiency within the sector

What Members want Creative Edinburgh to do

- Business development emphasis would be welcome
- Better marketing regarding what Creative Edinburgh is trying to do and how they can help businesses and the sector
- Focus more on networking
- Involve other areas to broaden opportunities
- More open meetings with discussions for collaboration and business customers
- More networking
- Find a way to promote the website and Creative Edinburgh to commissioners of work and potential clients
- Exhibitions to support and promote the work produced by Scottish businesses
- More technical courses, not just specialist events
- More forums to get people discussing issues and talk to each other
- Chance for professionals to meet and talk out with work
- Exhibitions and workshops
- Attract tenders and tenderers to the Creative Edinburgh website
- Find way to bring commissioners to Creative Edinburgh events and activities
- Promote news stories

- Access to advice, finance, bursaries, signposting, competitions

6.4 Value of Creative Edinburgh to Members

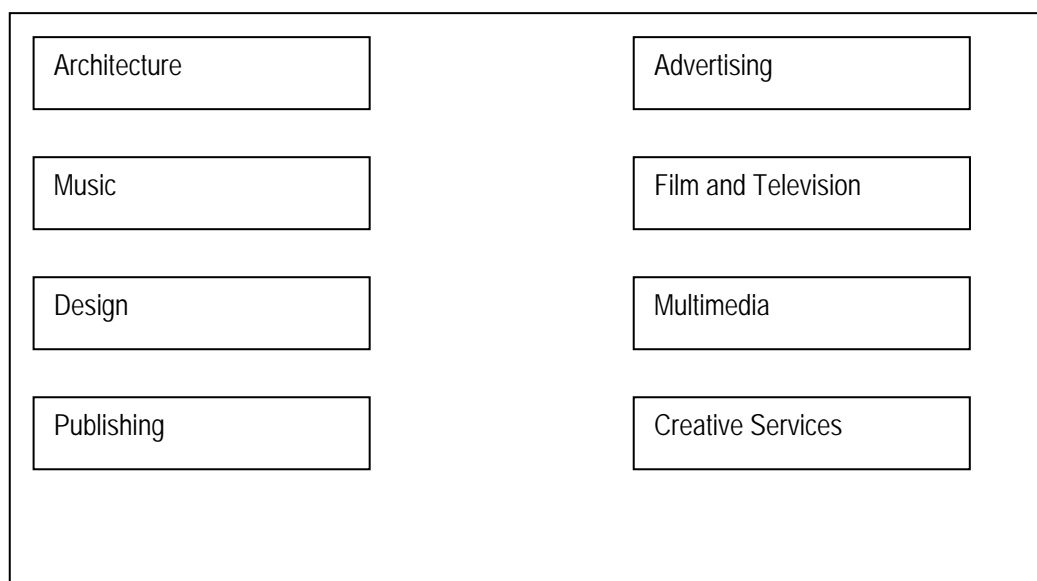
In general, most respondents indicated that they supported the concept of Creative Edinburgh and valued the exposure which a listing on the website provides, however few indicated that they would be willing to pay for the current or historic services which were provided. In order to develop a sense of value, services must be delivered which generate additional benefits and opportunities for the members. This could be delivered through access to potential clients or through the provision of advice and guidance.

Only two members indicated that they would be willing to pay for services. These members indicated that they would be willing to pay up to £50 per annum.

6.5 Economic Impact Appraisal

From the research undertaken there is little evidence of substantial direct economic impacts secured as a result of Creative Edinburgh. 'Softer' impacts such as the development of new contacts and establishing / developing market knowledge were reported which will undoubtedly have a beneficial qualitative impact. We consider that the scope of the organisation, the resources available to the Directors and a lack of structure within the organisation has resulted in a missed opportunity to develop the creative sector through networking both internally within the sector and taking an outward looking approach to engage with other sectors in Edinburgh and Lothian and beyond. The following diagram demonstrates the current networking activity undertaken at events in terms of the sector and within Creative Edinburgh.

Events Structure at Present



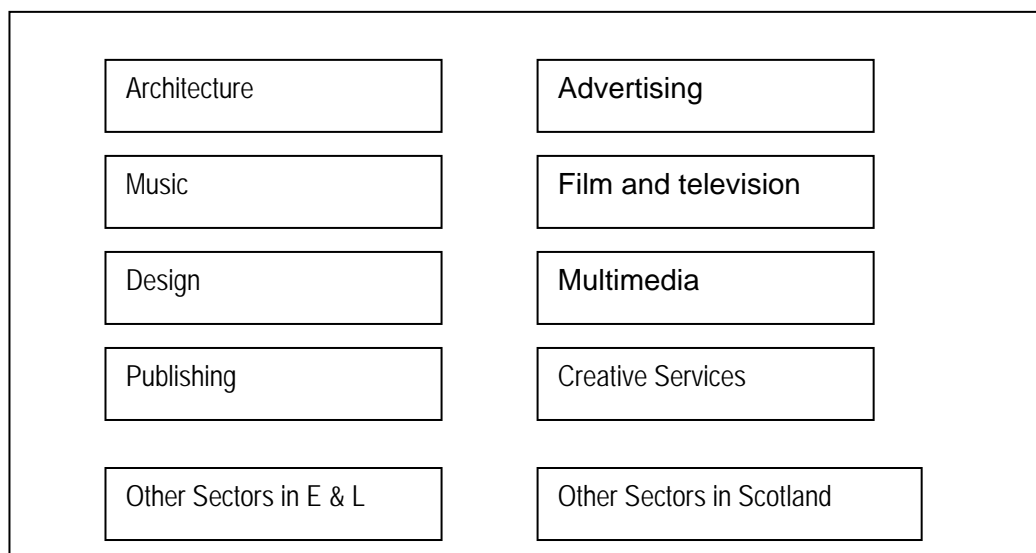
Companies operating within the sector will come together at a Creative Edinburgh event, network and in-principle increase the chances of working with each other in the future. Economic impact would then be generated by one company within the creative sector bringing new work to another company within the sector. This delivers modest financial benefit to the companies involved and economic benefit for the sector. This is an *inward* looking approach to the development of the sector in terms of events and will not maximise the return on invested funds nor resources expended.

Promotional Materials at Present

Promotion of members and the sector has been achieved via the continuing development of the Creative Edinburgh website, promotional newsletter emails and occasional marketing exercises such as the 'pizza box' distributed at the MTV awards in 2003. With the exception of the pizza box initiative, marketing materials have been *inward* looking, promoting news and information to those already in the sector. The pizza box was distributed to delegates of the Book, Film, TV, and Games festivals and posted to marketing managers of major companies. If the greatest benefit of Creative Edinburgh is to be achieved an *outward* looking approach is required to drive the development of Creative Edinburgh and to deliver the greatest benefit to members and subsequently the continuing development of the sector.

Proposed Events Structure

The following considers a proposed events structure which would generate and deliver greater potential to stimulate economic impact and benefit. The following event proposal may be undertaken annually, bi-annually or as required to stimulate wider awareness.



The concept behind the proposal demonstrated above is that there is the potential to introduce suppliers of services to buyers of services out with the internal creative industry thereby bringing 'new' income into the sector. The event could be organised as a showcase, with

exhibition stands etc, or as an informal networking opportunity for businesses to discuss potential work. The event could be promoted in a number of ways:

1. Promote the event to individual companies through direct contact or other networking groups / organisations
2. Deliver a joint event with networks with a wide cross sector reach such as the Chamber of Commerce or Light Lunch.

The event would serve to introduce buyers to suppliers for current contracts and equally importantly will stimulate awareness of the Creative Edinburgh website and organisation as a database and source of suppliers of services which deliver benefits in the future.

Marketing Creative Edinburgh and Promoting the Creative Industry Proposal

Showcasing the quality of work produced by Edinburgh companies is a key element of the activities of Creative Edinburgh. Again the concept of *outward* looking activities is critical. There is a perception within the sector that brand managers and commissioners of work consider the work of Edinburgh practices as being inferior to the work delivered by London and international companies. This can only be addressed through wider, effective promotion of the achievements of companies within the sector. This will require a dedicated member of staff if any real benefit is to be reported. Care must be taken however as promotion must focus on Creative Edinburgh and the services it provides rather than promoting particular companies as this may be considered to be an unfair advantage for those promoted directly.

There is the potential to develop a self sustaining feedback loop of continuous development through the active promotion of the Creative Edinburgh website as a source of suppliers of creative services. If members are aware that potential clients will use the website and that their competitors are on the site there is a greater incentive to ensure that your posting is up to date and demonstrates the best of their work.

6.6 Summary

Consultation undertaken with 32 members of Creative Edinburgh has identified that in general there is broad support for the concept of a networking organisation for the creative sector within Edinburgh. However, there is concern that this is not being delivered in the most effective manner. Members tend to join Creative Edinburgh to increase their exposure within the sector and to develop their business through the expectation of generating new business from within the sector or through access to new markets via involvement with Creative Edinburgh.

Evidence collated during this study indicates that modest economic impacts have been reported by members, with one member reporting that a contract worth £80,000 was won with

a referral from Creative Edinburgh being a key element. 'Softer' impacts have been reported such as improved market knowledge and networking within the sector.

We consider that in order to generate wider economic benefits, there is a need to introduce new sectors and companies to widen the potential of securing new work. Furthermore, there is the potential to market Creative Edinburgh to potential commissioners of work to stimulate interest in the sector leading to new commissions for Edinburgh based companies.

7.0 ASSESSMENT OF CREATIVE EDINBURGH

7.1 Introduction

This section presents our view of the performance of Creative Edinburgh based on our desk based review and consultation with members and stakeholders.

7.2 Delivery of Activities and Services

During both 2003/04 and 2004/05, the Board has had to act in the last few months of the financial year to deliver a number of outstanding events to fulfil their contract. This has caused considerable inconvenience and stress on both Board members and SEE&L. Clearly, this ineffective planning and management cannot be allowed to continue.

7.3 Use of SEE&L Funding

A critical issue which has been identified by almost all consultees is the lack of a full time staff resource which is dedicated to developing and delivering Creative Edinburgh. The following table demonstrates the use of SEE&L funding over the last two financial years and suggests what this could have been used to fund.

TABLE 7.1 USE OF RESOURCES	
Expense	2003 / 2004 £
Management Fees	18,752
Promotion and event costs	15,979
Website Costs	6,768
Travel and Subsistence	1,080
Printing, stationery and postage	1,459
Sundry Expenses	150
Legal and professional fees	4,807
Admin and Secretarial	11,750
Accountancy fees	588
Auditors and Remuneration	1,762
Total Expenditure	63,095

Considerable budgets have been allocated to the provision and production of website content. We would question whether it would not be cheaper and equally effective to have created a website infrastructure which could have been controlled and updated by a project manager (assuming that a manager had been employed). Similarly, we consider that the events programme and other outputs could have been delivered at lower cost whilst still generating the same level of activity and support.

A condition of SEE&L funding should be that the Board of Creative Edinburgh undertakes to appoint a project co-ordinator on an agreed basis to develop and deliver the action plan objectives of the organisation.

7.4 Strategic Development

We consider that there is a fundamental issue surrounding the stated aspirations of Creative Edinburgh and the targets outlined by SEE&L. A clearer relationship between both sets of objectives would potentially have resulted in a more efficient use of funds to deliver similar or enhanced outcomes.

The view of consultees is that the organisation and concept has considerable potential however it is not being delivered in the most effective manner. We would agree with this assertion and subsequently suggest that if given an opportunity with targeted resources and strategic plan, Creative Edinburgh could deliver real benefits for the creative community.

7.5 SWOT Analysis

This section presents a SWOT analysis for Creative Edinburgh based on our review of documentation, consultation with members and stakeholders and a review of similar organisations throughout the country.

TABLE 7.2 CREATIVE EDINBURGH SWOT ANALYSIS	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Large and growing membership • Support for the broad concept of Creative Edinburgh apparent within the membership • Established brand • High profile Board • Evidence that benefits have been generated by members both in terms of financial performance and generating awareness within the sector and its activities • Local focus on company needs 	<ul style="list-style-type: none"> • Insufficient funds or inefficient allocation of funds to deliver activities • Lack of strategic focus • Lack of coherent and strategic events programme • No direct link between SEE&L funding and objectives of the Board • Lack of networking with similar organisations to deliver greatest benefit • Lack of continuity and consistency in terms of service development and delivery • Lack or awareness within the membership of what Creative Edinburgh is trying to achieve and those who are aware do not consider that this is being delivered
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Potential to work with other networks and agencies • Potential to share resources between organizations to maximise return on investment for funders • Introduce companies from other sectors to widen networking and business development opportunities • Develop the website as a recruitment portal for professionals and students • Advertise job placements for students on the website to support skills development • Develop the Creative Edinburgh website as a portal for tenders and briefs for new work • Demonstrate to members the achievements of Creative Edinburgh to develop a sense of opportunity and value in being a member • Promote Creative Edinburgh as a resource tool to commissioners of work, e.g. brand managers • Access to external networks • Potential willingness to pay for services in medium term 	<ul style="list-style-type: none"> • Ability to secure self sustaining funding sources • Loss of public sector support • Loss of members support and participation if do not respond to need • Competition develops within the Edinburgh market for networking activities • Loss of Board support for the continuing development of Creative Edinburgh

The SWOT analysis undertaken above is used to inform a conclusion regarding our assessment of Creative Edinburgh.

7.6 Conclusion

We consider that no further funding should be granted from SEE&L to support Creative Edinburgh in its current format, i.e. voluntary board with no real dedicated staff resource. Similarly, an agreed strategic agenda and approach must be defined between SEE&L and Creative Edinburgh if it is to develop. That said; we consider that there is sufficient evidence to suggest that Creative Edinburgh should continue in some format once fundamental issues have been addressed to provide services and opportunities to the creative sector.

Short Term Options

The following short term options could be pursued by SEE&L in order to address the immediate operation of Creative Edinburgh:

1. Cessation of SEE&L funding
2. Continue to fund and operate in current fashion
3. Address identified concerns in the short term and re-launch Creative Edinburgh under new model

As identified we consider that there is potential to develop a valued networking organisation which will deliver real benefits to the sector. In order to achieve this, option 3 identified above should be pursued.

The following sections present an options appraisal which builds on the assumption that Creative Edinburgh will continue with SEE&L funding. The options appraisal aims to address the fundamental strategic approach to the delivery of Creative Edinburgh to secure the greatest benefit for funds invested. A SWOT analysis is undertaken in the following section to guide the development of the options and delivery of Creative Edinburgh.

7.7 Critical Success Factors

This section considers the critical success factors which must be considered in developing the future direction for Creative Edinburgh:

1. Employment of a project manager: no other organisation considered in the comparator review operated on a voluntary basis and it is clear from the review that a voluntary Board of senior managers cannot deliver the organisation.
2. A coherent strategy must be developed by the Board and agreed with funding partners
3. Procedures and processes must be put in place to ensure effective planning, marketing and delivery of activities delivered by Creative Edinburgh
4. Existing Board buy in to preferred option
5. Communications strategy prior to re-launch

8.0 WHAT SHOULD CREATIVE EDINBURGH BE DOING?

8.1 Introduction

This section considers the activities, services and strategic direction which should be taken by Creative Edinburgh if it is to continually develop to meet the needs of members and deliver added value services and activities.

8.2 Aims and Objectives

Creative Edinburgh Future Aims and Objectives

Through an examination of the aims and objectives of Creative Edinburgh members, the board, and other organisations / stakeholders the following objectives have been set for the development of Creative Edinburgh:

- Provide infrastructure within which creative companies can network and collaborate with each other and companies from other sectors
- Encourage business development and growth through guidance, support and access to new clients via networking and marketing
- Encourage skills development within the sector through partnership with academic institutions and promoting life long learning
- Promote the quality of work delivered by companies based in Edinburgh and academic institutions to potential clients and employers

8.3 Activities and Services – Member Needs

The following section provides details of the activities and services required by members of Creative Edinburgh.

- Networking activities
- Widen the scope of Creative Edinburgh to include other business sectors on the website and at networking events
- Improve marketing of Creative Edinburgh activities and quality of Creative Edinburgh work to include a wider geographic area and other business sectors
- Widen business development opportunities, open meetings with other business sectors
- Market the website and the work of Edinburgh based companies to commissioners of work and potential clients
- Organise Exhibitions to support and promote the work of Edinburgh companies
- Technical advice regarding finance, bursaries, signposting and competitions
- Organise events which are broadly relevant to a cross section of the membership with some events focusing on business development

- Website developed to include forums and question and answer sections where members can assist each other
- Include a tender section on the website

The preceding analysis has identified the strategic priorities of Creative Edinburgh and the sector and has identified through member consultation and comparative review, the services and activities which are required by members. Within the following options, it is assumed that the activities and services identified above will be delivered to meet the needs of members.

The following options appraisal considers ways in which the activities and services identified above can be delivered in future.

9.0 OPTIONS DEVELOPMENT

9.1 Introduction

This section considers 5 options for development of Creative Edinburgh Limited to address the following issues:

- Advantages and Disadvantages
- Outcomes
- Financial Implications
- Value for Money

The options appraisal considers the strategic approach to the delivery of activities to generate maximum value for money. In terms of funding the future delivery of Creative Edinburgh, there are two broad options and four sub-options:

1. SEE&L only funding
 - a. Current level
 - b. Front load with the condition that SEE&L funding ceases at a certain period
2. Partnership Funding (Combination of ...)
 - a. SEE&L
 - b. Academia
 - c. Sponsorship
 - d. Pay for services in the long-term

Delivery Mechanisms

In order to deliver the strategy direction for the organisation and the activities and services required by members, there are four broad delivery mechanisms which could be employed, namely:

1. Merger
2. Take over of Creative Edinburgh by another organisation
3. Shared Resource
4. Independent Organisation

These four mechanisms are considered to be the starting point for the options appraisal and within each mechanism there are individual courses of action which could deliver the required activities and strategic direction. Each mechanism is considered in detail below with respect to value for money, outputs, and particular aspects related to the identified business model.

10.0 OPTION 1: DO NOTHING

10.1 Introduction

This option considers the impact of a discontinuation of involvement by SEE&L.

10.2 Advantages of the Option

Scottish Enterprise Edinburgh and Lothian would save circa £60,000 per annum which could be re-distributed to other programmes or allocated through other means to support the creative industries.

10.3 Disadvantages of the Option

Through consultation it has become apparent that there is support for the concept of Creative Edinburgh and what it is trying to achieve. However, due to difficulties in delivering on expectations, the perception within the membership is that Creative Edinburgh has missed an opportunity to serve a real need and deliver benefits to the creative community in Edinburgh.

The cessation of funding from SEEL would stop any potential development of assistance for the sector and would potentially have a negative impact on business development. Glasgow and Tayside and many regions in England have a creative networking organisation, and there is a real risk that Edinburgh may suffer in the long-term without a networking organisation.

We consider that due to a poor use of funding, insufficient level of funding and a difficult operating environment, Creative Edinburgh has been unable to successfully deliver on their strategic agenda. We consider that the organisation and concept has the potential to deliver considerable benefits to the creative sector in Edinburgh and Lothian and without public sector support, this will not be funded or undertaken.

10.4 Funding

Based on our review and consultations undertaken it is very unlikely that another funder of Creative Edinburgh could be sourced to build on the achievements of 2004-05, the last complete year of funded activity. The City of Edinburgh Council would be unable to support Creative Edinburgh due to existing arrangements with Scottish Enterprise.

Few of the models considered as part of the comparative analysis were self funding and sustainable through membership and sponsorship alone. Those that were self sustaining were either national organisations with a commercial focus (Creative Match) or were exclusive member clubs with members willing to pay high membership fees to join (Entrepreneurs Exchange). It is very unlikely a membership programme could be introduced to continue the operation of CE in the absence of public funding.

The academic sector has indicated that directly managing CE is not something which they think they should be involved in.

10.5 Governance

With no financial budget or resources at their disposal, it is likely that the Board of CE would decide to disband Creative Edinburgh.

10.6 Strategic Impact

At present, there are a number of professional bodies which serve the interests of defined industry groups such as the Royal Institute of Architects in Scotland (RIAS) and the Chartered Institute of Designers etc. Similarly, there are organisations which serve the needs of a range of sectors such as the Chamber of Commerce and Long Lunch. Creative Edinburgh is the only cross sector body for the creative industries within Edinburgh and Lothian. Creative Edinburgh can be considered as a horizontal pillar, cutting across creative disciplines to promote networking and collaboration. It is likely that in the absence of public sector funding, the ability to host networking events would be lost which would result in the following:

- Loss of networking opportunities for the creative sector
- Loss of opportunity to learn from peers and to garner peer to peer support
- Loss of promotion vehicle for the sector

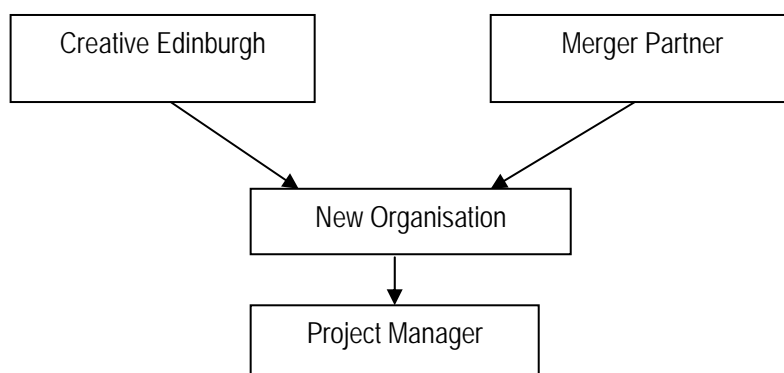
Through consultation with members and stakeholders, it became apparent that Creative Edinburgh has the potential to address market failure through the delivery of appropriate activities. Market failure identified included an unjustified perception of the quality of work produced by companies based in Edinburgh and the lack of resources within companies for them to market themselves effectively.

The removal of SEEL funds would take away the opportunity for this market failure to be addressed. We appreciate that a greater impact could have been achieved than that reported however we consider that this is largely due to the use of resources rather than a market related issue.

11.0 OPTION 2: MERGER WITH ANOTHER ORGANISATION

11.1 Introduction

This section considers the delivery of Creative Edinburgh through a merger with another organisation. Within this proposed change to the delivery mechanism for Creative Edinburgh, the complete operation of the organisation would be taken over by another organisation. Typically within the merger, all shareholders of each company become shareholders in the new entity, and the new entity is established as a new company. Clearly in this case there are no shareholders, however there is a Board. A new board would therefore be formed comprising representatives from both Creative Edinburgh and the merging partner.



The key reasons for a merger would be:

- Growth in membership and subsequently income through charges
- Diversification through access to new sectors, markets and members

As a condition of merger, particular aspects of operation could be written into future operating plans to ensure that the strategic direction of Creative Edinburgh was considered and delivered. That said; it is vital that a merger is pursued with an organisation which is already delivering on a similar strategic agenda to that planned for Creative Edinburgh. Furthermore, similar activity and service provision is critical.

Section 5 of this report indicates that Napier University and the City of Edinburgh Council are interested in providing in-kind support to Creative Edinburgh and there is the potential to secure project specific funding from the ICON programme. This will continue to be possible even under a merger arrangement assuming that the activities are delivered in Edinburgh.

11.2 Merger with Creative Entrepreneurs Club

A proposed merger with the Creative Entrepreneurs Club is considered within this option. Creative Entrepreneurs Club and Creative Edinburgh currently deliver similar activities in geographically defined areas of the country, Glasgow and Edinburgh respectively. There is

considerable scope to merge the management and governance of these organisations to achieve economies of scale and to access a broader cross section of the target market, i.e. creative companies in Scotland.

11.3 Advantages of the Merger Proposal

The following considers the advantages of the merger proposal:

- Creative Edinburgh and Creative Entrepreneurs Club databases of membership would essentially be combined resulting in a membership of circa 1,700 at present with members throughout Scotland
- Wider opportunities to network and collaborate within the creative industry sector
- Potentially enhanced value for money through economies of scale for all funders
- Potential cost saving to SEE&L through economies of scale

11.4 Disadvantages of the Merger Proposal

The issue associated with potential mergers with the Creative Entrepreneurs Club is the fact that both these organisations charge members if they attend events, and Creative Edinburgh does not. A merger would require that membership fees were charged to existing Creative Edinburgh members. Further disadvantages of the merger proposal are:

- Perceived loss of identity and geographical focus of activity
- Loss of autonomy in the planning and delivery of events and services for the Creative Edinburgh membership
- Creative Edinburgh membership identified that time was a critical factor in attending events – it would be vital that networking events were held in Edinburgh as well as Glasgow
- The successful delivery of this mechanism will require ‘buy-in’ and approval from all partners of Creative Entrepreneurs Club.

There is a risk that CEC would decide not to pursue the merger

11.5 Management and Governance

A new board would be established comprising representatives from Creative Entrepreneurs Club, the Lighthouse (Creative Entrepreneurs Club’s governing body) and Creative Edinburgh. The board would oversee a project manager who would be tasked with delivering a strategic agenda and programme of activity.

11.6 Delivery of Services

Existing service provision by Creative Entrepreneurs Club and Creative Edinburgh are similar. The following services would be provided:

- Networking events and activities
- Website with geographic specific sections
- Promotion of the creative sector within Scotland
- The potential reach of activities would be approximately 1,700 companies within the merged organisations

11.7 Financial Implications

Considerable economies of scale could be secured through a merger with Creative Entrepreneurs Club. At present there is significant duplication in service between Creative Entrepreneurs Club and Creative Edinburgh. Both organisations deliver the following:

- Networking events and opportunities
- E-newsletters and promotional materials
- Website directories for members

Both organisations have their own membership and from our consultations it would appear that members of Creative Edinburgh do not tend to join Creative Entrepreneurs Club due to the perceived parochial nature of both organisations. Merger between Creative Edinburgh and Creative Entrepreneurs Club would deliver considerable economies of scale through singular funding of activities within the Central Belt, rather than individual funding for two separate organisations broadly serving the same function.

The current budget of the Creative Entrepreneurs Club is unknown at present due to commercial sensitivity however we can estimate the extent of SEE&L involvement in the merged vehicle. Assume the following:

- The existing project manager at CEC continues in post, but with a wider remit and role
- 10 joint events are held, spread evenly between Glasgow and Edinburgh
- A combined website is created and is maintained and updated by the project manager
- The combined CEC and CEL is marketed to the sector and other organisations as appropriate

On a pro-rata basis, Creative Edinburgh will cover 50% of staff, website and event costs. This will be off-set by contributions made by the City of Edinburgh Council, potential ICONS project specific funding and Napier University input. Assume the total cost for the following:

- Project Manager - £28,000 including employment costs etc

- Events programme - £20,000
- Website - £10,000
- Marketing - £10,000
- Fees - £2,000

Total cost – £70,000

Income

- Membership and user charges - £10,000
- Scottish Enterprise Glasgow - £20,000
- Scottish Enterprise Edinburgh and Lothian - £20,000
- ICONS project funding - £5,000
- The Lighthouse - £5,000 (cross-subsidy running costs)
- City of Edinburgh Council - £5,000 in-kind
- Napier University in-kind - £5,000 in-kind

Total finance - £70,000

11.8 Funding

The merged organisation would be funded by membership fees (which were introduced by Creative Entrepreneurs Club in April 2005), Scottish Enterprise Glasgow and Scottish Enterprise Edinburgh and Lothian. Membership charges in the initial years would subsidise the general running costs of the merged organisation, i.e. staff costs, administration etc. An arrangement would be developed whereby SEG or Scottish Enterprise National would cover the cost of Glasgow related activity and SEEL would cover the cost of Edinburgh related activity, e.g. events etc. Service Level Agreements would be developed to ensure that the required outcome was delivered. Both SEG and SEEL would contribute to the core overheads associated with running the organisation.

11.9 Membership Structure

The membership structure of CEC comprises annual membership charge or a pay as you go arrangement whereby members pay for the events they attend and the services they consume.

The existing paid membership structure at Creative Entrepreneurs Club is unlikely to change. Existing and new Creative Edinburgh members would be expected to pay the same fee as existing CEC members.

At present Creative Entrepreneurs Club membership provides additional discount benefits and access to and hire of the Lighthouse. Under merger agreements, it would be beneficial if a

similar facility could be provided to Edinburgh based members, e.g. discounted hire of a facility.

11.10 Effectiveness in Delivering Expected Outcomes

The fundamental principle underpinning the effective use of funds is achievement of the organisations objectives and strategic direction. Funds could be effectively utilised to deliver the strategic objectives outlined for the merged organisation. Previously, a key objective of Creative Edinburgh was the promotion of the quality of the work delivered by creative companies in Edinburgh. This objective would probably not be achieved under the merged company on the same scale as that which could be achieved under an independent Creative Edinburgh. Therefore, it is argued that under this proposal, funds may not be effectively utilised to meet the wider objectives of Creative Edinburgh under the merger proposal. Similarly, a key requirement of development identified through the development of Creative Edinburgh was the opportunity for members to meet potential new clients. The extent to which this would be addressed would depend upon the objectives of CEC.

11.11 Efficiency of Delivery Mechanism

This proposal would increase efficiency through the singular delivery of activities and services. Across the Scottish Enterprise network, efficiency gains can be made by funding one organisation to deliver services to the creative sector rather than regional specific activities. The fundamental principle behind efficiency is getting the best use out of funds invested. Under the merger proposal, funds invested by SEEL would potentially be lower than under an independent Creative Edinburgh due to economies of scale. This which would result in a lower investment per member assisted. Similarly, under this proposal, the reach of the organisation would be widened to the membership of both Creative Entrepreneurs Club and Creative Edinburgh, thereby generating a greater return on total investment demonstrated by the number of companies benefiting from the investment made by SEEL.

11.12 Economy of Delivery Mechanism

Considerable economic gains could be achieved under the merger proposal. We consider that at present, Creative Edinburgh has not effectively used funds to generate the greatest benefit or return on its investment. Strict expenditure controls would be required to ensure that the minimum was spent to achieve the desired quality of activity.

The economy principle is related to efficiency. If we view the investment of SEEL funds in the widest sense – as a part of the national network, greater economy gains could be secured by SE as a national organisation if the proposed merger were to be undertaken. The principle behind economy is ‘why spend £2 when £1 is sufficient’ to achieve the required result. At present, Scottish Enterprise as an organisation are contributing to the delivery of two websites, two event programmes etc, when an economy saving could be made through merger.

Based on the assumptions outlined in the financial implications section, funds required from SEE&L would reduce from £60,000 to £20,000 per annum. It would be role of the project manager to increase contributions from external sources and through increased take-up of membership to reduce public sector involvement, i.e. SEG and SEE&L over the next three financial years. Indicative targets would be to reduce SEE&L and SEG contributions to £10,000 in year 2 and then £5,000 in year 1. We consider that both SEE&L and SEG should continue to fund defined activities and projects within the merged organisation in perpetuity. For instance, SEE&L and SEG may wish to fund an annual conference or networking dinner to maintain their interest in the merged organisation.

Whilst this option may not address the short term issues associated with Creative Edinburgh, it may offer a longer term Scotland wide strategic view of a future support structure for the creative industries sector.

12.0 OPTION 3: ACQUISITION OF CREATIVE EDINBURGH BY ANOTHER ORGANISATION

12.1 Introduction

This option considers the impact of Creative Edinburgh being acquired or 'sold off' to another organisation. In this option, the use of the word acquisition is perhaps misleading. It is intended that under this option, another organisation would take over the operation of Creative Edinburgh within their current networking and organisational structure. This is not a merger as a merger typically is undertaken between two companies of comparable size resulting in a new management vehicle. Under this option, we propose that the operation of Creative Edinburgh would be 'acquired' by another organisation and the resulting management would not be undertaken by Creative Edinburgh but by the new organisation.

Under this option, the organisation and delivery of the events programme, management and maintenance of the website and promotion through newsletters etc would be under by the company which absorbed or acquired Creative Edinburgh.

12.2 Appropriate Partners

We consider that there is the potential for the future management of Creative Edinburgh to be undertaken by the following, under an 'acquisition' procedure:

- Cultural Enterprise Office
- Edinburgh Chamber of Commerce

The Cultural Enterprise Office (CEO) has been established to assist cultural and creative businesses in their development through signposting, seminars and networking. The CEO Project Manager was contacted as part of this review and she indicated that working with Creative Edinburgh would be an effective way of engaging with creative companies, which are currently under-represented within its market. There is therefore the potential to include Creative Edinburgh within the operation of the CEO, subject to appropriate operating and strategic agreements. A full case study of the operation of the CEO is provided in Appendix A.

12.3 Advantages

Edinburgh Chamber of Commerce

- The cross-sectoral membership of the Chamber of Commerce will introduce Creative Edinburgh members to potential clients and partners, cheaply and effectively. This will encourage the development of cross sectoral links and business exchange thus meeting the expectations of the membership
- Creative companies can access a wider membership through Edinburgh Chamber of Commerce

- Potential to access the national Chamber of Commerce network

Cultural Enterprise Office

- Scotland wide focus which would introduce Creative Edinburgh members to potential collaborators and networks throughout the country, i.e. access to a wider network
- Reduction in support required from SEEL.
- Business development and support focus
- Established brand and membership which would be attractive to members
- Cultural Enterprise Office is well resourced and focused on creative and cultural industry and as such would deliver real benefits
- As Cultural Enterprise Office is well financed, there is greater potential to deliver activities of value, which members are more likely to benefit from and be willing to pay for.
- Working with Cultural Enterprise Office would deliver economies of scale and avoid duplication of effort.
- National focus of the organisation which will deliver additional and wide spread networking and collaboration opportunities
- Acquisition would provide the Cultural Enterprise Office with easy access to creative companies which is a current area of focus for CEO

12.4 Disadvantages

Edinburgh Chamber of Commerce

- Loss of identity of Creative Edinburgh
- Merger with Chamber of Commerce would be unlikely to further stimulate networking and collaboration by creative companies with other creative companies
- Existing Creative Edinburgh members would be required to pay a membership fee
- Diluted autonomy to act in the best interests of Creative Edinburgh members and for the best interests of the sector

Cultural Enterprise Office

- New organisation would continue to focus on the creative industry and would be less well placed to deliver cross sectoral networking and collaboration opportunities
- Loss of identity for Creative Edinburgh
- The success of this mechanism would require buy-in from potential acquirers
- The Cultural Enterprise Office is funded until October 2007. Therefore, the delivery of creative sector activities may cease on completion of the three year funding allocation to CEO

11.5 Delivery of Services

The 'acquiring' organisation will control the future development of Creative Edinburgh. The same activities will be delivered as identified in option 2. Both CEO and Chamber of Commerce are focused on business development however CEO is more directly relevant to creative industry.

12.6 Financial Implications

The Cultural Enterprise Office was established to assist and support the development of cultural and creative enterprises. This is achieved through the delivery of an events and networking programme, provision of advice notes and guidance and one-to-one assistance and guidance. There is therefore a degree of duplication in provision between Creative Edinburgh and the Cultural Enterprise Office.

The planning and delivery of activities would be undertaken by the acquiring organisation. Additional funding may be provided by SEEL to deliver specific projects or outcomes specifically related to the creative industry within Edinburgh, e.g. exhibitions of work or marketing.

The day to day management and financing would be undertaken by Cultural Enterprise Office, potentially with support from SEEL. As indicated there would be the potential to deliver SEEL sponsored / financed initiatives.

We consider that under this arrangement, SEE&L may wish to fund two networking events per annum for creative companies and previous Creative Edinburgh members. These events would potentially cost £5,000 including marketing expenditure and would be designed to encourage sharing of experience and expertise and general collaboration within the creative sector.

12.7 Membership Structure

Edinburgh Chamber of Commerce

The initial response to this proposal would be 'why would Creative Edinburgh members not just join Edinburgh Chamber of Commerce in the first instance?' This is a valid concern and the critical element for success is ensuring that Edinburgh Chamber of Commerce are willing and able to deliver on the strategic priorities relevant to the creative community. Specific networking events should be delivered which would bring together the creative community and companies from other sectors and industry. The development of the network to include potential commissioners of work and new business opportunities would add value for creative companies and would make them more likely to join the Edinburgh Chamber of Commerce and participate in creative networking events.

A second critical issue would be the treatment of the website and newsletter distribution. Edinburgh Chamber of Commerce should be encouraged to take on the Creative Edinburgh website with enhancements as a sub section or link from its site. This would continue the continuity of service and widen the area of interest and reach. The use of the Edinburgh Chamber of Commerce mailing and membership list would ensure wider reach and distribution of materials. A small section of Edinburgh Chamber of Commerce mail outs could include news relating to the creative industry activities and success.

Cultural Enterprise Office

The Cultural Enterprise Office does not charge for participation in its activities.

12.8 Effectiveness in Delivering Expected Outcomes

There is the potential to achieve high levels of effectiveness under this proposal. The current Cultural Enterprise Office model delivers activities and services which are required by Creative Edinburgh members as identified through consultation. The acquisition of Creative Edinburgh by Cultural Enterprise Office would provide a centralised organisation working to promote creative industries in Edinburgh and Scotland through networking, business support and promotion. This arrangement would deliver the objectives of Creative Edinburgh members in an effective manner whilst delivering additional advantages and opportunities.

12.9 Efficiency of Delivery Mechanism

This mechanism would avoid duplication in delivery of activities and services with the Cultural Enterprise Office which clearly provides activities which are broadly comparable with Creative Edinburgh.

12.10 Economy of Delivery Mechanism

This option would avoid duplication of funding by Scottish Enterprise through the funding of both Creative Edinburgh and Cultural Enterprise Office which already has an established office in Edinburgh, staff resource and events programme running throughout Scotland.

13.0 OPTION 4: CONTRACT OUT THE DELIVERY OF CREATIVE EDINBURGH TO ANOTHER ORGANISATION

13.1 Introduction

This option considers contracting an external provider to deliver the activities and services to be delivered by Creative Edinburgh. Within this option, a specification of services and activities will be defined to be delivered by a contractor to SEE&L or the Creative Edinburgh Board. Napier University has indicated that it is interested in becoming more involved in the delivery of Creative Edinburgh. Discussions have been held with Napier University to scope out how this arrangement may work in reality. This is considered in the remainder of this option.

Napier proposes that Creative Edinburgh will be developed as an organisation which will:

- Connect
- Support
- Promote
- Inform
- Celebrate Edinburgh-based creative industries

Napier considers that there is a need to actively engage with its membership and move away from a broad website / internet based membership. As an organisation it lacks a clear identity and this is partly because it has no locus or identifiable base from which it operates. Its operational dynamic has also been curtailed by enthusiasm rich but time poor volunteer management whose input is constrained by their day to day business.

In order to address the issues raised above, it is proposed that Napier becomes the 'development partner' of Creative Edinburgh and provides a base from which the organisation can operate.

Under this option, service and activity delivery is essentially contracted out to an organisation. This should be tendered to ensure best value. For the purposes of illustration, Napier University is used below.

13.2 Advantages

- An existing synergy of interest and capability across a wide range of creative disciplines
- Napier has an existing reputation for working closely with industry and commerce
- Napier has an appropriate communication and accommodation infrastructure capable of servicing real as well as virtual needs
- An ability to work closely with other educational, public and private sector providers and to access a range of European, SHEFC and Scottish Enterprise funding

- Napier could bring the following services to the delivery of Creative Edinburgh:
 - Event planning and management
 - Event and meeting venues
 - Applied and market research
 - Access to education and training through Masters, CPD and Short Courses
 - Access to advice and consultancy
 - Access to specialist facilities

13.2 Disadvantages

- Perception of CEL being given to the academic sector may affect the memberships' view of CEL
- This option is basically a contractor-client relationship and as such there is little difference between this proposal and the existing CEL-SEE&L relationship, however the potential benefits of working with Napier should be considered.

13.3 Delivery of Services

Essentially, funders would provide funds to enable Napier to deliver services and activities on behalf of Creative Edinburgh / SEE&L. Napier believes that if Creative Edinburgh is to survive as a meaningful brand it also needs to maintain a degree of independence and retain a small number of core functions such as:

- Contact services: mail, fax, telephone and web based
- Secretarial / signposting services
- Press services
- Advocacy / promotional / sponsorship development and marketing services

That said, Napier has produced an indicative events programme which could be delivered via a SEE&L / Napier partnership. This programme includes a mix of masterclasses, celebrity lectures, CPD and short courses, talent shows and exhibitions, Design week and networking events. The programme clearly responds to networking / collaboration, promotion, education / CPD and information provision and dissemination.

13.4 Financial Implications

The total net cost including a contribution to the management fee (£10,000) would be £52,000 per year. This is based on indicative costing of an events programme delivering 12 events. In addition, in year one, a 'one-off' set-up grant of £5,000 would be advantageous to develop marketing materials including letterheads and business cards etc.

SEE&L, as core funder of Creative Edinburgh – even under arrangement with Napier University will be expected to meet the financial cost of operating Creative Edinburgh. The

costs of general administration could be absorbed by Napier however this is subject to confirmation.

The cost to SEE&L of this option would be circa £42,000 per annum subject to the following partner contributions:

- ICONS - £5,000
- City of Edinburgh Council – £5,000 in-kind

14.0 INDEPENDENT ORGANISATION

14.1 Introduction

This section considers the most appropriate means of delivering Creative Edinburgh as an independent organisation. There are many sub options which could be considered by altering the method of delivery, however the options consider broad delivery mechanisms to identify the best way forward under independence from other institutions. Options considered are:

- Standalone activities
- Partnership working

Within each of these options, it is assumed that in the first year of funding services are free to use by members with charges or income generating mechanisms being introduced in Year 2 or 3. Each option addresses the strategic objectives and delivers the core activities identified above.

15.0 OPTION 5: STANDALONE ORGANISATION

15.1 Introduction

This option considers the impact of Creative Edinburgh continuing to operate as it did during 2003/04 and 2004/05, i.e. within relative isolation with respect to partnership working and operating to its own agenda. This option would however enable Creative Edinburgh to address existing issues and operate in a more structured way through the appointment of a project manager.

15.2 Advantages

- Opportunity to address existing negative perceptions of Creative Edinburgh
- Maintain autonomy and decision making ability of the Board and staff, when appointed
- Opportunity to introduce business development opportunities during events etc

15.3 Disadvantages

- Maintains inward looking focus
- We consider that Creative Edinburgh will have insufficient resources to affect substantial change
- No strategic vision to affect change
- Limited / no partnership working
- Does not address partnership working and widening of networking opportunities identified by the membership
- Unlikely that sufficient income will be generated to deliver exit strategy for SEEL
- An issue with this proposed model is that SEE&L cannot directly employ a Project Manager, and that providing funding to Creative Edinburgh in this manner would be to risk breaking State Aid rules.

15.4 Outcomes

The following activities and services will be delivered:

- Programme of events focusing on networking and collaboration
- Website
- Newsletters and promotions

It is likely that the reported level of activity will continue. Please refer to section 3 of this report for details.

15.5 Financial Implications

SEEL will provide the funding to deliver a programme of events, maintain a website, distribute newsletters and generally promote the creative sector within Edinburgh. The programme will be devised and implemented by the Board with administration assistance when available.

In-kind funding will be sourced from the City of Edinburgh Council and potentially academic institutions within Edinburgh and Lothian.

The following assumptions are made in costing this option:

- 10 events are delivered at an average cost of £2,000 each
- A full time project manager is employed costing £28,000 per annum including employment costs
- A website allowance of £10,000 per annum is included
- The website is maintained by the project manager who will in turn produce marketing and promotional materials
- Workspace and equipment is provided in-kind by a member of CEL, valued at £10,000 per annum
- Fees for auditing are budgeted at £2,000

The total cost of the option is £70,000. As before, the following resources and in-kind will be sourced:

- ICONS funding for projects -£5,000 – in-kind
- City of Edinburgh Council - £5,000 in-kind
- Napier University - £5,000 in-kind
- Member company - £10,000 in-kind
- SEE&L - £45,000

15.6 Membership Structure

During the first year, membership will continue to be free. Depending on the success of the organisation, membership fees may be introduced in year 2 or 3 on a phased basis.

Membership options are considered in appendix B There is unlikely to be considerable take up of membership due to structure and limited product offer. In the experience of CEC, a target for paid membership take up was set at 33% for year 1. CEC offer more benefits to members and as such without additional benefits, this target would be excessive for Creative Edinburgh.

During Year 1, the income and expenditure assumptions made above are expected to hold. By year 2, we anticipate a paid for services arrangement to come into force. This will include a pay as you go service for attendance at events and a discounted membership offer if the member pays up-front. A basic listing on the website will be available free of charge, however aspects

such as case studies, advertising vacancies, and more detailed practice and project information will incur a charge.

By year 2, we anticipate an earned income target of £10,000, which will directly off-set the SEE&L contribution, resulting in SEE&L paying £35,000 towards the operation of CEL. Furthermore, in year 3, earned income is expected to increase to £15,000 further reducing the cost to SEE&L to £30,000.

15.7 Effectiveness in Delivering Expected Outcomes

The option will deliver networking and collaboration opportunities however they will be focused on creative sector development, and will not seek to include other sectors / activities.

The historic allocation of resources is not considered effective by the study team. Expenditure appears to have been incurred in the 'wrong' areas to generate an effect. We consider that a greater return may have been generated via the employment of an officer to drive forward the organisation rather than on expensive events and fees paid to newsletter editors / producers. Similarly, it is likely that a greater use could have been made of website funding.

15.8 Efficiency of Delivery Mechanism

This option does not consider the wider operating environment within Scotland. Scottish Enterprise as an organisation would be contributing across the country to funding three managers, event programmes and websites at Creative Edinburgh, Interactive Tayside and Creative Entrepreneurs Club. This would be an inefficient use of funds and would ignore potential economies of scale.

15.9 Economy of Delivery Mechanism

This proposal is not an economical response to the solution as it does not consider the wider operating environment. Previous options have acknowledged that there are several organisations offering similar services, e.g. Creative Entrepreneurs Club, Cultural Enterprise Office, and Edinburgh Chamber of Commerce at a local and regional level. This results in duplication of effort and potentially lower occupancy levels at activities due to increased supply and choice within the market. The economical response would be to work closely with other providers to minimise duplication and effort to generate the greatest response. This current proposal of events being delivered by Creative Edinburgh in isolation is not considered economical.

16.0 OPTION 6: PARTNERSHIP WORKING

16.1 Introduction

This option considers the impact of taking a partnership approach to the development of Creative Edinburgh Limited. The following summarises this proposal:

- Creative Edinburgh remains a separately constituted body with its own Board and operating plan
- Events are planned by Creative Edinburgh but a considerable proportion of these events are delivered in partnership with other organisations
- An employee of Creative Edinburgh will be in post to organise events and activities
- Subject to agreement with partners, a sub committee would be constituted which would feature the member of staff from each organisation. This committee would plan and deliver joint events. Each individual member of staff would also plan and deliver their own events programmes

16.2 Appropriate Partners

The following organisations would be appropriate partners for Creative Edinburgh in the delivery of activities and services.

Creative Entrepreneurs Club – similar activities and services delivered, shared events would widen potential attendance, shared or access to databases would widen the reach of marketing materials. CEC has indicated that it would broadly support partnership working through events.

Interactive Tayside – Similar activities and services delivered, shared events would widen potential audience, wider database access. Interactive Tayside has indicated that it would broadly support partnership working through events. However, it would be imperative that the Interactive Tayside brand was maintained, a proportionate number of partnership events were held in Tayside and that Interactive Tayside events would continue. It was noted however that as IT is funded by other partners, e.g. the three local authorities in Tayside and 5 higher and further education establishments, it would be vital to have their approval prior to development of the proposal.

Cultural Enterprise Office – similar activities and services delivered, shared events would introduce members to other companies throughout Scotland, shared expertise and access to resources. The CEO has indicated that it would welcome the opportunity to work in partnership with Creative Edinburgh on events and other initiatives. The Creative Edinburgh project manager would be tasked with liaising with project managers to develop events and activities with all partners and partners individually.

Napier University – shared interest in the promotion and development of the creative sector. Access to education and CPD resources and delivery of these activities.

Edinburgh Chamber of Commerce – shared event would introduce Creative Edinburgh members to new business collaboration opportunities and potentially new clients.

16.3 Advantages of the Option

- Option considers the wider operating environment and a wider strategic approach to networking and collaboration
- Retain autonomy of Creative Edinburgh which will allow pursuit of strategic objectives independently or in partnership
- Delivers networking and collaboration opportunities within the sector and across sectors through partnership working with the Cultural Enterprise Office and Edinburgh Chamber of Commerce
- Potentially greater value for money due to shared resources reaching a wider audience
- Enables creative companies in Edinburgh to network with companies throughout Scotland
- Lower level of resources required than independent
- Considers the wider geographical impact of partnership working whilst enabling Creative Edinburgh to meet local need
- SEE&L continues to have a strategic management role through representation on the Board

16.4 Disadvantages of the Option

- More expensive to SEEL than merger or project specific work, e.g. funding small initiatives or pieces of work
- Partnership events may be dictated by others and not respond directly to the needs of members

16.5 Outcomes

The following outcomes will be delivered by this option:

- Creative Edinburgh events programme
- Partnership events programme
- Website
- Development of a brokerage role for CE
- Newsletters

The events programme is a critical element of this option. A proportion of events will be delivered in partnership and the remaining events by Creative Edinburgh. An indicative programme is presented below:

Three events would be delivered in partnership with Interactive Tayside and Creative Entrepreneurs Club. A proportion of expenditure would be incurred by all partners with the result that CE would only pay the equivalent of the cost of 1 event.

Two events would be delivered on partnership with Napier University and would be a masterclass, short course / CPD or other education focused activity.

One event would be delivered in partnership with the City of Edinburgh Council which has indicated that it would be willing to provide a venue for the delivery of an event.

Two events would be delivered in partnership / with funding from ICONS to deliver support and opportunities to underrepresented groups.

Two events would be delivered by Creative Edinburgh as standalone events dedicated to networking and potentially encouraging companies in other sectors to attend events and use the services of Creative Edinburgh.

16.6 Financial Implications

The partnership arrangement will reduce the overall cost to SEE&L of operating Creative Edinburgh through the sharing of resources to deliver discrete outcomes for the benefit of members of all partner organisations.

- As before 10 events will be delivered, however in this scenario, there will be considerable partnership working. Total cost £20,000.
- Project manager - £28,000
- Website -£10,000
- Office accommodation and equipment - £10,000 in-kind from a member
- Fees for auditing etc - £2,000

Total cost - £70,000

Income

- ICONS - £5,000 (subject to developing relevant projects)
- Napier £5,000 in-kind
- Member for accommodation and equipment - £10,000
- City of Edinburgh Council -£5,000
- Creative Entrepreneurs Club - £2,500

- Interactive Tayside - £2,500
- SEE&L - £40,000

The financial contribution from SEE&L is greater than that required under a merger arrangement however a greater number of activities will be delivered for the benefit of the sector.

16.7 Membership Structure

In the first instance, future SEEL funding will be used to kick start the process of employing a suitably qualified and experienced individual on an agreed basis. This person's key role will be to develop a detailed operational plan for CE which highlights

- The role of CE
- The offering from CE to potential member businesses
- The creation of a membership structure or a pay for services structure which begins to create a revenue flow in response to the provision of value for money business opportunities for the sector
- A PR strategy for ensuring that the role and activities of CE are fully understood within its customer base and within the wider partnership

Once demonstrable benefits had been identified, a charging structure would be introduced. Membership models have been identified in appendix B. A decision should be taken by the Board regarding the most appropriate mechanism based on the success during the early stages of partnership working and feedback from members.

16.8 Funding the Preferred Option

Given that there is a generally positive view of CE from within the industry, consideration must be given to delivering the option in such a way as to

1. Signal to the creative industries sector that the organisation is still in existence and will go forward with a dynamic programme
2. Kick start a new programme of activities which will encourage participation and involvement from the sector
3. Empower the executive staff to deliver a series of activities and support these with a sound PR message to further enhance the standing of CE in the creative sector
4. Generate revenue flow from the private sector and other sources to ensure that CE is sustainable in the long term
5. From the perspective of SEEL, any further funding should be made available on an up front, basis, with partnership funding secured as far as possible, and with an expectation that over a three year programme period, SEEL's funding will decline as that of other sources increases.

There are two exit scenarios in this regard

1. CE generates its own revenue streams and can carry on beyond a three year initial period independent of further SEEL core support
2. CE fails to generate funding from other sources, in which case SEEL must consider the option of terminating funding support at the end of a three year period

In both scenarios, SEEL can exit at the end of the three year period of support.

It is acknowledged that SEEL cannot fund on an ongoing "blank cheque" basis and to this end it is proposed that SEEL's funding is made available on a partnership agreement basis for a fixed term three year period, subject to annual review.

Clear targets must be established with the Board of CE, and with the appointed executive staff, to ensure that targets are being met.

The Board must be clear in its role. In this model, it is not an executive body. The partnership co-ordination would take place at the level of the sub committee where each element of the partnership, including CE, agrees its own relevant targets and tasks. The role of the Board should be

1. To approve and sign up to a detailed Business plan and objectives and targets for CE
2. To appoint the executive staff member on an agreed job specification basis
3. To monitor progress towards achieving targets
4. To suggest and implement corrective action if targets are not being met.

An outline job specification for the Creative Edinburgh Project Coordinator position has been devised and is presented as Annex C

16.9 Effectiveness of the Proposed Mechanism

We consider that this proposal would be very effective in delivering networking, collaboration and business development opportunities to members of Creative Edinburgh. Networking is all about being introduced to new people from the same and other sectors as the member operates. This proposal will deliver this opportunity effectively via joint events with Edinburgh Chamber of Commerce, Creative Entrepreneurs Club, Cultural Enterprise Office and Interactive Tayside. This will provide Creative Edinburgh members with exposure to creative companies throughout Scotland and other sectors within the Edinburgh economy.

In essence, the partnership arrangement will enable Creative Edinburgh events to 'piggyback' onto activities and services delivered by others which will introduce Creative Edinburgh members to a wider audience, thereby generating additional value for money.

16.10 Efficiency of the Proposed Mechanism

The proposal would deliver activities and services to a greater number of beneficiaries than a standalone independent Creative Edinburgh thereby providing a greater return per capita.

16.11 Economy of the Proposed Mechanism

Delivering 2 events per annum with partners where each partner contributes to the cost of the event will clearly produce financial savings for Creative Edinburgh and will result in a more economical organisation.

17.0 CONCLUSIONS AND RECOMMENDATIONS

17.1 Introduction

We consider that a fundamental issue in the operation and potential for future development of Creative Edinburgh is the lack of a clear, shared strategic direction and vision for the organisation between Scottish Enterprise Edinburgh and Lothian and the Board of Directors. The objectives identified by SEEL are generic and activity based and bear no direct relationship to the vision, aims and objectives of Creative Edinburgh. It is understood that this approach on behalf of SEEL allows Creative Edinburgh to undertake a flexible approach to planning and delivering activities however the lack of a fundamental sharing of vision is problematic.

In its current form CE has reported success in encouraging networking, exchange of market knowledge and modest financial impacts for members.

Having previously established that we consider that Creative Edinburgh should continue - albeit in a more structured manner, we consider that option 5: a formalised partnership working arrangement is the most appropriate and efficient delivery mechanism. This delivery mechanism will allow Creative Edinburgh to maintain its geographic and operating autonomy whilst engaging with national and other regional activities. In terms of delivery of activities, this delivery mechanism will enable Creative Edinburgh to meet local need whilst maximising the use of resources. A project co-ordinator should be employed to develop the organisation.

This study has identified the need for further investigation into the concept of 'Creative Scotland', a Scotland wide initiative providing networking, business development and promotion opportunities for the development of Creative Industries within Scotland. Members of Creative Edinburgh indicated that in principle the concept was sound and should be investigated further. There are several ways of delivering this concept which would potentially benefit both the national and regional economies. These scenarios are:

1. One national organisation operating throughout the country
2. One national organisation with regional satellites serving local needs
3. Regional satellite organisations operating in partnership under the Creative Scotland brand

By pursuing the preferred option identified in this report, there is the opportunity for SEE&L to drive forward the proposal to deliver a Creative Scotland. This would require sufficient resources being allocated to ensure that this could be delivered on a strategic level. In the early period, this concept may be delivered via, one partnership event, arranged by partners under the banner of Creative Scotland which aims to promote the quality of the Scottish sector and member companies. If successful and member buy-in is achieved, there is potential to develop Creative Scotland as a standalone organisation with CEC,

Creative Edinburgh and Interactive Tayside as satellites or partners within a national organisation.

APPENDIX A

COMPARATOR CASE STUDIES

A.0 COMPARATOR CASE STUDIES

A.1 CREATIVE ENTREPRENEURS CLUB

The Creative Entrepreneurs Club is hosted at the Lighthouse in Glasgow. The Creative Entrepreneurs Club evolved in September 2001 and is the network for creative industries in Scotland. The club offers a unique way for people in the Creative Industries to keep up to date with the sector and the issues that affect it and provides a forum for discussion and the cultivation of contacts.

The Creative Entrepreneurs Club is also a place for people within the Creative Industries to meet colleagues from a variety of disciplines and so spark new business ideas.

Creative Entrepreneurs Club also operates the PLATFORM programme for students and graduates. Events are held bi-annually in February and October.

Seven events are planned between March 2005 and February 2006 at the Lighthouse and a further 3 events travel around Scotland. Non-fee paying members will still be able to attend events at the rate of £28+ vat p.p. per event for creative sector businesses or £68 + vat p.p. for non-fee paying corporate sector members.

Development

A new project manager was appointed in July 2004 to develop the Creative Entrepreneurs Club. The Club was overhauled with a change in emphasis introduced to move from 10 – 12 events per annum which focused on particular sectors with guest speakers to 7 events per annum which are relevant to everyone and focus on issues which are applicable largely to all creative industry businesses. Topics of recent events have included:

- Innovation
- Investment and finance
- How to approach banks

An event is planned in Edinburgh which will focus on overcoming 'creative fear'.

Prior to the shift from sector specific to industry specific priorities for events, typically 30-40 people will attend. It was indicated that since the shift to more general events focusing on business development, average attendance has increased to 60-80.

The new direction for the Creative Entrepreneurs Club was informed by focus group research which identified that members of CEC needed sector specific business advice which acknowledged the operating environment and constraints of creative businesses. Members

indicated that assistance through the Business Gateway was too generic and did not provide relevant advice.

CEC has members throughout Scotland, London, Paris, New Zealand, and America. In terms of Scotland, approximately 40% of Creative its membership is based in Glasgow, and in terms of reducing scale, Edinburgh, Dundee and Aberdeen.

During last year, CEC had 800 members, this has increased to 1,300.

Aims and Objectives

The project manager is striving to position CEC as the 'Gateway to Scottish Talent'. As part of this aim, the project manager would like to pursue the following objectives:

- Develop a 'design co-op where members would provide services in-kind to help each other out
- Mentoring scheme where established managers and senior personnel help new businesses
- Encourage members attending events to work together to share advice, experience

The project manager indicated that there is a current focus on rural areas as these companies may need support and feel isolated at present.

Funding

From March 2005, members will be asked to pay an annual subscription for the services and events up to February 2006 which will provide free admission to all events and defined activities at the Lighthouse. Companies, individuals etc are able to sign up for free membership which ensures that they receive newsletters and other email communications but no free access to events. Annual subscriptions are:

- £85 + vat for creative sector businesses(one membership fee covers all staff)
- £170 + vat for academic membership (one membership fee covers 15 nominated members)
- £300 + vat for corporate sector membership (one membership fee covers up to 15 nominated people)

It is intended that CEC will become self sustaining through membership fees over time. During 2005 / 06, a target of 33% of members to become paying subscribers was set. At August 2005, actual performance of 20% was achieved.

Activities and Services

- Events
 - For members
 - Platform events for students and graduates
 - Surgery sessions
- E-newsletter

A typical event follows this format:

- Registration
- Presentation based on the theme of the evening
- Discussions with the audience
- Surgery sessions which are 10 minute one to one meetings with the speaker and guests
- Drinks and networking

CEC also organised a Scottish Showcase of members work in the form of an exhibition which travelled to the Milan Mobile, London, and then hosted at the Lighthouse. The exhibition contained work by 15 designers and was funded by Glasgow City Council and participating members.

Workshops are held on particular topics such as copywriting and advertising which allows participants to brush up on their skills. Participation costs £50.

Governance

The project manager reports to the Director of the Lighthouse and the Commercial Director.

A.2 INTERACTIVE TAYSIDE

Interactive Tayside is a partnership between the public, private and academic sectors to develop and promote Tayside's digital media industry. Interactive Tayside, a local delivery mechanism has been established that aims to build the digital media industry in the area, encourage higher levels of collaboration between businesses and with academia, develop new commercial opportunities and promote the high-quality skills and talents of the area's digital media practitioners to a wide audience.

Interactive Tayside was established in November 1999 in recognition of the importance of digital media to the economy. During 2000, a consultants report concluded that there were 200 digital media companies in Tayside employing 1,500 people. By 2004, the digital media sector employed 2,500 people in 350 businesses.

At the end of July 2005, Interactive Tayside had 1,230 members which included businesses, academics, students and individuals. Approximately 80% of the membership live in Tayside and the organisation has members from as far afield as Japan.

Attendance at events during the year depends on the theme of the event, the speaker etc. Typically an event organised by Interactive Tayside will attract 15 – 70 people depending on the theme etc.

Aims and Objectives

The objective of Interactive Tayside is to help grow Tayside digital media sector through events, networking, a website and advice / support.

Governance and Partners

The following partners are involved in the Interactive Tayside initiative:

- Scottish Enterprise Tayside
- Angus Council
- Dundee City Council
- Perth and Kinross Council
- University of Dundee
- University of Abertay Dundee
- Angus College
- Dundee College
- Perth College

A steering group has been convened including members of each of the partners identified above. The steering group meets quarterly. The project manager reports directly to the steering group at the quarterly meetings.

A part time (0.5 full time equivalent) project manager is employed by Interactive Tayside. The post holder is an employee of Scottish Enterprise Tayside whose input into Interactive Tayside is provided in-kind.

Activities / Services

Website

Ten events which are free and open to everyone are provided each year.

The project manager provides advice and guidance to members and people interested in the digital media sector. This is primarily a signposting role which directs members, companies and interested individuals to sources of information and guidance such as the business gateway, funders etc.

Marketing is undertaken through the website and materials produced to be given away to students, delegates at relevant conferences, meetings etc. Promotional materials which have been produced include:

- USB flash drives
- Pens, leaflets etc.

Funding

Interactive Tayside is resourced by Scottish Enterprise Tayside (SET) and the other 8 partners identified in the section above. The total budget for Interactive Tayside during 2004 / 05 was £42,000 which included £15,000 of in-kind support from SET to employ the project manager. The cash budget for 2004 / 05 was therefore £27,000 which was spent on the following:

- Events organisation and delivery, typically £500 per event, with most speakers providing their services free of charge
- Marketing materials
- General administration
- Website enhancements and updates

Other Issues

Interactive Tayside is currently considering developing joint initiatives with Creative Entrepreneurs Club. This could include delivering events which were provided in Glasgow in Tayside shortly after.

Interactive Tayside has had no involvement with Creative Edinburgh thus far however it was indicated that IT would like to work with Creative Edinburgh in the future.

Carrie indicated that she was unaware of any members of Interactive Tayside who were also members of the national Creative Entrepreneurs Club.

A.3 ASSOCIATION OF SCOTTISH VISITOR ATTRACTIONS (ASVA)

The Association of Scottish Visitor Attractions is a networking and support organisation which brings together visitor attractions in Scotland to learn from each others experience through events, seminars, newsletters and site visits. Two forms of membership are available which are available to discrete market segments. Members are visitor attractions within Scotland, and trade members which are companies and organisations which supply services to visitor attractions and the visitor attraction sector.

Aims and Objectives

Support the visitor attraction sector

Activities and Services

- ASVA passcards which entitles members to free entry to other member's attractions. All types of attraction are members including Edinburgh Castle and the Glasgow Science Centre
- Profiles of attractions and their activities and events on the website
- Monthly newsletter detailing current issues in the visitor attraction market, such as DDA requirements, gift aid issues etc
- Quarterly colour newsletter "ASVA Reporter"
- Monthly online visitor trends report allowing members to monitor their performance against the industry and comparable attractions.
- Database of attractions which is searchable for visitors to find days out and activities in a particular area or theme
- Spring seminars and Autumn conference provide the opportunity for members to network and learn from others experience

ASVA acts as a referral agency for members wishing to commission consultants or other professionals. These companies tend to be members, who have registered and are listed on the trade members section of the site. Through consultation with ASVA it was indicated that it receives regular requests from the membership regarding advice of which companies provide particular services. There is also evidence to suggest that members cross refer to other members if they have had a positive experience with a trade member.

ASVA also provides tailored training for members in-house.

A.4 CULTURAL ENTERPRISE OFFICE

Formally launched in May 2002, the Cultural Enterprise Office started as a new business support initiative for cultural enterprises in Glasgow. The service expanded in April 2005 and now has a presence in Glasgow, Aberdeen, Dundee and Edinburgh. The main office is at the Centre for Contemporary Arts (CCA) in Glasgow which continues to host advice surgeries and events, and house the project management and information team.

Creative Enterprise Office (CEO) is Scotland's specialist Business Development Service for and cultural practitioners and micro businesses. The service currently operates in Glasgow, Aberdeen, Dundee and Edinburgh.

The Edinburgh Office is located in the Edinburgh College of Art at Lauriston Place and is co-funded by the College. A professional development officer is accommodated at the college and is available on the first Monday and Tuesday of the month.

The Aberdeen Office is staffed on a Tuesday, Wednesday and Thursday by an adviser.

Governance and Staffing

The Cultural Enterprise Office is governed by a steering group which is currently in the process of being transformed into a management board. The steering group is not a registered company. A third party management company, the Go Group, which is an Enterprise Trust has been engaged to deliver the organisation to Scottish Enterprise National. The employees of the CEO are therefore employed by the Go Group.

The delivery of services and activities is undertaken by the following:

- Project Staff; project manager, lead advisor, professional development officer, information officer and assistant and project administrator
- Expert Pool; Community arts and property, film and animation, Music, performance,
- Specialist Advisors; tax, legal, marketing and pr, finance.

Activities and Services

- Enquiry service
- Professional development programme of seminars, training and networking events
- Advice and surgery sessions focussing on particular business needs
- Fact sheets on budgeting and other operational issues

Advice is free however users are required to arrange an appointment in advance.

The events programme is focused on business development skills and awareness rather than networking.

The project manager for the CEO indicated that there has been good use made of their services by cultural organisations but less so from creative companies and organisations. Partnership with Creative Edinburgh would potentially result in greater use of the service by creative companies.

Funding and Business Model

The Cultural Enterprise Office is funded by the following:

- Scottish Enterprise National
- European Structural Funds
- Scottish Arts Council
- Glasgow City Council
- Aberdeen City Council
- Dundee City Council
- Edinburgh College of Art

The Office is funded on a three year cycle and the current cycle commenced on the 1st of November 2004 to the 31st of October 2007. The total budget for the three year programme is £990,000,

Issues and Opportunities

The CEO project manager was very receptive to the potential of working in partnership with Creative Edinburgh. The following opportunities were identified:

- CEO presence at Creative Edinburgh events
- Deliver events in partnership with Creative Edinburgh
- Reciprocal web links
- Joint marketing and awareness raising

The CEO programme focuses on business development and support whilst the current focus of Creative Edinburgh is networking and collaboration. Both organisations would potentially benefit from a partnership approach.

A.5 OXMEDIA NETWORK, OXFORD

Oxmedia launched in 2002 to serve a broad spectrum of media from publishing and printing to television and web designers, computer game developers to graphic design, from music to video. The expressed aim of Oxmedia is to break down barriers between media sectors to enable local companies to “punch” above their weight by networking, exchanging information and collaborating on projects.

Oxmedia Network is part of the South East Media Network (SEMN) which is the collective group of six local organisations supporting media companies in the South East of England. Unique in the UK, the SEMN acts as a gateway to over 3500 media businesses in the South East

The Oxmedia website includes an office space section which allows members and those working in the creative industry sector to offer desk space and office accommodation to others.

During the early years of the initiative, the costs of Oxmedia’s events, activities, services to members and administration were covered by Government subsidies via SEEDA and Business Link. It was always intended that the network should become self supporting and the deadline for this was the end of 2003.

Under the membership scheme, Oxmedia provides the following services and activities:

- Programme of events
- Workshops and seminars
- Subsidised training and professional development
- Monthly email newsletter
- Directory of members, C.V’s of potential employees, access to funding sources
- A new improved website to include job adverts and PR opportunities

The membership fee structure is presented below (please note: all figures exclude VAT):

- Individual - £40
- Student - £20
- Fewer than 10 employees - £80
- 10 to 50 employees - £150
- 51 to 100 employees - £290
- Over 100 employees / public / educational establishments – by arrangement

A new membership structure was implemented in 2004. Oxmedia is currently undertaking research to identify members’ views of the structure and the operation of the Network.

A.6 FRESH CREATIVE INDUSTRIES NETWORK

The Fresh Network is a free to join network for Creative Industry companies and those interested in the development of the sector.

Governance

Activities and Services

Networking events are held every 6 – 8 weeks and are free to attend.

Fresh offers a student placement scheme, funded by Preston City Council. Members are encouraged to participate in the scheme.

- Forum for people to post stories of interest, details of events being held etc
- Monthly newsletter
- Business seminars related to topics of interest such as starting your own business
- The website contains a section dedicated to information provision to assist practitioners such as funding advice, training, workspaces and useful organisations
- A recruitment section is included on the website

Funding

Fresh is funded by Business Link, North West Development Agency and European Regional Development Funds.

A.7 CREATIVE LONDON

Creative London works to promote and grow the diversity, depth, quality and energy of the creative industries in London. Creative London seeks to build on this success, with an ambitious, long term programme that aims to:

- Build the infrastructure and support needed to help the sector grow at grass roots level
- Nurture new and emerging talent across the sector
- Showcase London's creative achievements
- Promote London as an international centre for culture and commerce
- Galvanize London's creative sector, and bring businesses and people together to make more combined noise
- Leverage public and private investment in the creative sector

Activities and Services

The following programmes are operated by Creative London:

Partners and Finance

London Development Agency

Private and Public Sector

A.8 Creative Industries Network (CIN)

CIN was formed in 2001 by a group of creative professionals who recognised the lack of networking opportunities for like minded creative individuals. A series of evening events were established where creatives could get together to share ideas, have a beer and learn from each other. During 2003, a consultants report was commissioned to identify gaps in the market which could be filled by CIN. Research indicated that there was demand for advocacy, support, peer to peer advice and guidance and showcasing and promotion of work undertaken by companies located in Derbyshire. Since these humble beginnings CIN has grown into a fully fledged networking organisation with regular events, a full time network co-ordinator and this web-site, a fully developed information portal and online database of our creative members. CIN is now embedded in the creative sector in Derbyshire, with close links to local government and support organisations. It's our philosophy to encourage growth through collaboration and to provide a forum and collective voice for the industry.

Aims and Objectives

The main aim of CIN is to grow creative businesses in Derbyshire through the provision of support, advocacy, promotion and peer to peer guidance.

Funding and Business Model

The initiative will be funded by the public sector from 2004 – 2006 and it is intended that by the end of the public funding programme the operation of CIN will be self financing through membership subscription. CIN is funded by the following agencies:

- Arts Council England
- Derby and Derbyshire Economic Partnership
- EM-Media

The respondent indicated that the initiative is operated on a reasonably tight budget however the budget covered the costs of a full time project manager and part time administration assistant, a project website and a programme of monthly events.

Governance

The CIN is governed by a Board of 7 directors which is supported by a full time network coordinator. All Board members have full time jobs in the creative industry sectors and the Board is strengthened by local authority representation in the form of the Creative Industries Development Officer at Derby City Council.

Activities

- Signpost members to funding and support advice and guidance
- Regular events are held on a range of topics
- Showcase for members to demonstrate their activities and recent initiatives

Events delivered have focused on both business development / support and developing a sense of community within the creative sector. An event was held in February 2005 which aimed to teach delegates how to network effectively. This event was delivered by a consultant. Future events will focus on 'how to run exhibitions', funding and how to access business advice.

Research was undertaken with the membership which indicated that networking was the key to supporting the sector and in particular providing access to funding opportunities, discounts and promotion of the creative sector.

A.9 BIO- DUNDEE

Bio-Dundee has been established as a partnership between all those involved within the sector, to ensure that issues are addressed and actions taken which will enable life sciences in Dundee to become increasingly competitive, within an increasingly competitive global environment.

BioDundee is a partnership between public private and academic sectors, and provides an umbrella marketing organisation for biotechnology in Dundee.

In conjunction with local and national agencies, a full range of business support is offered for new and relocating companies:

- Property
- National Support
- Business Advice
- Financial Assistance
- Training Assistance
- Information Service
- Staff relocation
- Trade Assistance

A.10 CONNECT SCOTLAND

The main aim of Connect Scotland is to nurture the creation, development and growth of technology enterprise throughout Scotland.

Connect is Scotland's leading technology-business network, bringing together experienced entrepreneurs and business angels, business professionals, venture capitalists, aspiring entrepreneurs and entrepreneurial academics – all passionate about building technology businesses.

Technology start-ups are looking to fast track their business propositions and meeting the people who can help them to do that is vital – for these entrepreneurs getting involved in Connect gives them access to a breadth of experience, skills and resources second to none. Our sponsors are also looking for a "fast track" – to what's happening in the technology sector and to new business opportunities.

ConnectontheNet.com is our on-line network, leveraging the resource and expertise of our unique community. Offline, Connect's local events are the focus for management development and informal networking opportunities; the Connect Investment Conference and Springboard provide investment opportunities; while the Connect Bootcamp provides intensive workshops for growing companies on crucial business management issues.

Connect Scotland has three offices in Scotland:

- Edinburgh
- Glasgow
- Aberdeen

Governance

Connect Scotland is governed by a Board of 10 directors. Seven people are employed by Connect Scotland throughout the country.

Activities and Services

- Core Events,
- Investment conference
- Springboard conference, pre start up and start up advice
- Connect boot camps – seminars and workshops

A.11 SECOND WEDNESDAY

Second Wednesday is a business to business network for digital media in the East Midlands. The aim of the organisation is to promote best practice and to act as a focal point for professionals who are working within the industry in the region. It is working to achieve this by providing a variety of services that are exclusively available to our members, including:

- A monthly symposia series, held in Nottingham, with expert speakers, followed by networking opportunities.
- Details of current tenders, listed on the members area of our website
- Free downloadable resources (e.g. legal documents etc.) prepared by professional partner companies.
- Special events such as seminars on specific areas of interest

The requirement for membership of Second Wednesday is that members are a creator of professional digital media or involved in a business that provides services to the industry, such as accounting, legal or marketing services, to name but a few.

Events are held on the second Wednesday of every month and are held at a restaurant in the centre of Nottingham. Entry to the meetings / events costs £1 for members and £2 for non-members. Recent events have focused on the following issues:

- Networking – few members are given 3 minutes to pitch their company and services to other attendees
- Accessibility to include websites and the Disability Discrimination Act and how this affects the sector
- Consultants engaged to demonstrate techniques to build a rapport with clients and other businesses
- Use of digital media by journalists, presented by Rob Glass from the BBC
- Meet the members networking event
- Key legal issues

Membership is free and to join, new members simply must attend the next event to complete a registration form whilst attending the event. This is a good way of encouraging participation and making new members aware of the activities and services which are provided by Second Wednesday.

Governance

Second Wednesday is governed by a Board which includes representatives from the sector and East Midlands Media Network

Funding and Business Model

Second Wednesday is sponsored by the following:

- East Midlands Media
- European Funds
- Glow Media – website and promotions company
- East Midlands Media Network Limited

Activities and Services

Events are held at city centre restaurants and bars to bring together the creative sector and related sectors to stimulate activity, increase awareness and network.

The Second Wednesday website includes a tenders section where clients and commissioners of work can post briefs for new contracts. The tenders section is only available to members.

A.12 PHOTOGRAPHERS DIRECT

Photographers Direct is a photographic portal to connect sellers and buyers of photographic images for use in magazines, books, adverts etc. To date, Photographers Direct has connected 2,367 buyers from Australia to Venezuela, with 4,667 professional photographers from Andorra to Zimbabwe and the PD search engine currently has 319,009 stock images. The organisation is founded on the concept of "fair trade" and aims to ensure that the photographer retains as much income from the sale of their work as possible. Typically photographers receive 50% of a sale if sold through an agency and as little as 25% if sold through a sub-agency. Through Photographers Direct, photographers receive 80% of the sale price and the remaining 20% is taken by PD as a brokerage charge. No set fee is identified for an image, charges are negotiated by the buyer and seller.

Buyers deal direct with clients which means that PD is a non-exclusive organisation and that there is no restrictions on photographers selling the same images through other agencies. Sellers can set up a portfolio or a stock source to show their work. Buyers can search for a photographer to commission or for a specialist stock source to help them with a project. There is a small annual charge to set up a portfolio (including an extra 10 megabytes of space and up to 100 images) BUT members can deal directly with buyers who contact you via your portfolio and you will pay NO commission to Photographers Direct on resulting sales.

Funding and Business Model

There are two key points to note with respect to this business model:

1. Income is generated through the purchase of portfolio space on the Photographers Direct website and through commission based sales which are sourced through Photographers Direct
2. Buyers however can use the resource to identify photographers who they can then commission directly for which no income is generated for Photographers Direct

Photographers Direct therefore operates as a promotional tool for photographers and broker. Two forms of membership are available: commission based and subscription based.

Commission Based

The member pays no upfront charges to market their pictures but must agree to pay 20% of sales through the PD website. With each Picture Search request you receive by email you will find a link to a page where you can upload images for the picture buyer to view. If they wish to buy any, the picture buyer will pay you directly and you will pay 20% commission to Photographers Direct. You will be allocated 10 megabytes of space for your images (enough for about 200 images). We rate all images that are uploaded and if your images are good you will be rewarded with extra space for more images. Each time you sell an image you will also

be rewarded with an extra megabyte of space. Additionally, you can rent extra space at a small annual charge if you wish. For a small charge you can also set up portfolios to promote your work or submit an entry to the regular newsletters we send out to picture buyers.

Subscription Based

Buyers contact the supplier directly who then posts images for the buyer to view. If a sale is made, the seller retains all income generated there from. The subscription rate varies depending on the size of the agency in terms of staff from £160 including VAT for one solo photographer to £2,950 for an agency with in excess of 200 staff.

A.13 SCOTTISH PUBLISHERS ASSOCIATION

The Scottish Publishers Association (SPA) is a trade association of almost 80 Scottish publishers. Founded in 1973, we assist our members with the marketing of their books to the widest possible readership within the UK and overseas. On members' behalf, the Association attend many national and international book fairs and exhibitions, including London Book Fair, Frankfurt Book Fair, Bologna Children's Book Fair, BookExpo, Gothenburg Book Fair, Prague BookWorld, Scotland's International Trade Fair, and the Edinburgh International Book Festival. We also co-ordinate bookshop and library promotions, and other marketing initiatives. It has an extensive database which members and non-members may purchase mailing services and labels.

Full Membership of the SPA is open to all companies and organisations in Scotland who publish books for sale. They should have published at least two books by author(s) other than the principals of the company; should be offering the books for sale and should be intending to develop a publishing list. Companies who package books normally join us as Full members, and pay a subscription rate based on their turnover, as do other Full members.

Associate Membership is open to organisations whose aims are compatible with and who may derive benefit from the SPA although they may not fulfill the membership criteria. They should have published at least two books by author(s) other than the principals of the company.

Library Membership is open to libraries- public, academic and specialist, who also publish books or monographs.

Small Press Membership is a membership option for businesses or organisations starting up in publishing, with an annual sales turnover below a commercial level and who wish to develop their expertise. They should have published at least two books by author(s) other than the principals of the company.

Activities

- Events and seminars
- Training

A.14 WWW.CREATIVEMATCH.COM

Started in 1996 by designers and web developers, creativematch is an independently run business.

Creativematch provide web based resources for the UK creative community and their clients. Creativematch provides the following services:

- Online directory of over 15,000 creative service providers including designers, photographers, illustrators and printers. Companies and service providers can post their details free of charge on the directory page.
- News page
- Recruitment and jobs
- C.v. section where those looking for work can post their details
- Shop which includes over 2000 specially selected computer products, from Adobe and Apple, through Macromedia to Wacom
- Creative web including
- Flair – showcase of work undertaken by members
- Forum for discussion

The creativematch website attracts 6,500 unique user sessions per day.

Aims and Objectives

'Our mission is to be the web site of choice for UK creative companies, suppliers and their clients'.

Funding and Business Model

There are currently two forms of membership: display membership and full membership.

Display Membership allows members to post a brief (50 word) description of their organisation including an image. Details of the member can be listed in the 12 sub categories included on the website. The cost of membership is £49 per annum including VAT.

Full membership includes the same benefits as above but further includes the ability to publish PR and news stories on the website and in creativematch newsletters, and include vacancies on the creativematch website. The total cost of full membership is £199 per annum including VAT. A 30 day trial is available for £29 per annum.

Membership charges were introduced recently and the organisation is on track to meet targets. The respondent was unwilling to divulge this information due to commercial sensitivity.

The website also includes advertising which is charged and randomly placed throughout the website, Banner and Skyscraper adverts are costed on a per thousand impressions basis or 'CPM' of £5.00 and £10.00 respectively.

Creative Match were contacted during the consultation process however due to commercial sensitivity, revenue figures were not obtained.

It was indicated that Creative Match may develop an events programme in the near future however as it is a national organisation, this will require effective planning.

Creative Match indicated that even though Creative Edinburgh is a potential competitor, it would welcome the opportunity to distribute press releases on behalf of Creative Edinburgh to their membership.

A.15 MCMEDIA

McMedia is a dining club for journalists and others involved in the media in Scotland. The initiative was set up in response to the failed attempt by bona fide journalists to modernise the Edinburgh Press Club as a place to meet. Founder members include Norval Barclay, Nick Clayton, Tim Dawson, Jane Denholm, Robin McAlpine, Alan McKinlay, Dougie Napier, Simon Pia, Denis Robertson Sullivan, Penny Thomson, Louise Welsh and Mike Wilson.

Membership is free; members need only to be able to provide an email address and a 40-word biography and of course, have some connection with the media.

McMedia meets about once every two months, depending mainly on the availability of a speaker. Most of its meals have taken place at the Hub, in Edinburgh. But meals do take place also in Glasgow. When a dinner date is set, an email is sent out to the McMedia mailing list and, broadly, places are booked on a first-come, first-served basis.

A.16 EDINBURGH CHAMBER OF COMMERCE

With approximately 1400 member companies, the Edinburgh Chamber of Commerce is uniquely focused on assisting local businesses to develop and achieve their maximum potential thereby impacting on the success and wealth of the whole local economy. Business development is our key activity and is delivered within a varied portfolio of services offered across all our divisions. In addition through our membership of the Scottish and British Chambers network, we also offer access to more than 135,000 UK member companies and the Chamber movement world-wide. We are recognised as the national voice for local business.

The key activities of the Chamber of Commerce are:

- Offering member benefits and support
- Organising valuable networking opportunities
- Providing local and national policy representation
- Free advisory service to start-up or expanding businesses
- Certification, advice and training services to companies importing and exporting
- An exciting choice of training and development courses, workshops and programmes.

Activities and Services

- Extensive events programme including networking and presentation opportunities
- Training courses and programmes
- Chamber Golf Programme

A.17 SHOWCASE SCOTLAND

Now in its sixth year, Showcase Scotland is established as the largest gathering of the international music community in the Scottish calendar. The festival enables international music promoters to discover more about Scotland's music as the programme is designed to offer a range of musical styles in various Glasgow venues. Promoters include:

- Agents
- Broadcasters
- Press
- Promoters
- Record labels
- Representatives from international music festivals

Visiting promoters are invited by our overseas offices to experience the vibrancy of the city and select music for their own events around the world.

Showcase Scotland is a partnership of British Council Scotland, Glasgow Royal Concert Hall, Scottish Arts Council, PRS Foundation, Highlands and Islands Enterprise.

Application to Creative Edinburgh

The Showcase is run in connection with the Celtic Connections Festival held in Glasgow every January. This has been included in the case study / comparator section as it is relevant to the second objective of Creative Edinburgh, i.e. the promotion of creative companies in Edinburgh. This could be widened to include all of Scotland. Potential commissioners of work would be invited to a central venue to view the work of Scottish creative companies.

A.18 WWW.SHOUTOUT.INFO

www.shoutout.info is an organisation including 10 partners, 12,000 creative companies within 17 creative disciplines across 6 counties in the east Midlands. Shoutout is a web based support organisation which provides the following services to members:

- Opportunities to grow business through providing details of commissions and tenders, job opportunities and businesses seeking businesses
- Opportunities to help business through business advice, grants and loans signposting, investment, IT help, networks, legal advice,
- Directory of 'creative types' listed by discipline and location

Partners

Shoutout has the following partners:

- Arts and Business
- Arts Council England
- Business Link
- Design Factory
- Designer Forum
- East Midlands Media
- East Midlands Development Agency
- EMIN
- Prime
- Princes Trust

A.19 ENTREPRENEURIAL EXCHANGE

The Entrepreneurial Exchange was founded in 1994 as part of the Scottish Enterprise Business Birth Rate Strategy. Its aim was to help isolated entrepreneurs to network with other like-minded people, to share experiences and the challenges of business.

The Entrepreneurial Exchange is Scotland's leading members' organisation for ambitious, growth-orientated entrepreneurs. The Exchange was created *'for entrepreneurs, by entrepreneurs'* and we've stayed true to this objective since forming in 1994. We are now an organisation with over 400 members, representing over £6.2 billion of turnover and 90,000 employees. Clearly we have a voice and our influence on government and economic development continues to grow.

The Exchange is funded by members' subscriptions and exists to provide regular events where members can meet, exchange ideas and learn from each other. The value of this advice is demonstrably high and the opportunity to gain access to truly successful entrepreneurs is unequalled.

The underlying philosophy of The Exchange is that entrepreneurs learn most from fellow entrepreneurs - those who have been there and done it. We live by our motto - *'for entrepreneurs by entrepreneurs'* - and at our events Exchange members hear the reality of running a high-growth business directly from fellow entrepreneurs.

Events are held to bring entrepreneurs together. The Exchange Events programme runs from September to June each year. Events start at 5.45 pm and run to 7.45pm followed by networking time. Exchanges are open to members and non-members. Admission is free to members and costs £45 plus VAT for non-members. The following lists the types of events undertaken:

- Evening Exchanges
- Focus Dinners - Focus dinners are highly select events, open to a maximum of 12 guests. Running from 7.00pm to 10.00pm, they provide the opportunity to discuss a strategic topic in great depth with entrepreneurs who have direct experience in that field. Open to members only. (£95 plus VAT). To meet demand Focus Dinners are often repeated
- Focus Lunches - Focus lunches are highly select events, open to a maximum of 12 guests. Running from 12.30pm to 3.00pm, they provide the opportunity to discuss a strategic topic in great depth with entrepreneurs who have direct experience in that field. Open to members only. (£35 plus VAT). To meet demand Focus Lunches are often repeated.
- Supper Clubs - Supper Clubs are focused and informative events for a maximum of 12 guests, aimed at companies at an early stage of development. They run from

7.00pm to 10.00pm and are open to members only. (£40 plus VAT). To meet demand Supper Clubs are often repeated.

- Masterclasses - Run in conjunction with our corporate members, Masterclasses start at 5.45pm and conclude with a buffet at 7.45pm and ample time for networking. They are open to members and non-members. (Free to members. £45 plus VAT for non-members.)
- Spring Conference - Each spring we hold a major one day conference where our members have an opportunity to listen to truly inspiring entrepreneurs from Scotland, the rest of the UK and from overseas. We provide plenty of time for networking between sessions and after a gala dinner the party goes on well into the night.
- Charity Ball -
- Awards Dinner - As part of our original mission to foster the culture of entrepreneurship in Scotland we launched **The Entrepreneurial Exchange Entrepreneur of the Year** awards in 1996. Our awards were the first in Scotland to celebrate entrepreneurship and our Awards Dinner had become established as the highlight of the business calendar, with all 700 tickets selling within a matter of days.
- Special Events –

Member Services

- Notice Board
- Trading Area
- Discussion Forum
- Monitoring
- Member's Database
- Suggestion box

Membership

- Membership of The Exchange is a personal membership and is not transferable
- Our Membership Committee deals with all applications in a strictly private and confidential manner
- The Entrepreneurial Exchange does not disclose details of Committee members. The Membership Committee reserves the right to refuse membership without comment - no correspondence will be entered into

Full Membership costs **£395 plus VAT** per annum and gives you:

- The opportunity to attend certain events free of charge
- The ability to book a place at member-only events

- Priority booking for headline events such as the Awards Dinner
- Full use of the Members Services section of this website.

To recognise the need for tight cost control in the early stages of a new high growth business we have created a special category of Associate Member for selected individuals. Associate Membership costs **£100 plus VAT** per annum and entitles you to the same benefits as a Full Member

A.20 Professional Industry Bodies

Professional industry bodies provide opportunities for networking and development within a sector or area of activity. In most instances, members must work in the specified industry which means that the industry has a narrow scope in developing cross sectoral participation and activity. This section considers the findings of a review of professional industry bodies relevant to the creative sector.

Chartered Society of Designers - £150 per annum

International Society of Typographic Design - £100 per annum - £250 p.a.

Scottish Publishers Association – members pay subscription depending on turnover

APPENDIX B

MEMBERSHIP OPTIONS

B.0 MEMBERSHIP OPTIONS

Based on consultation undertaken and review of comparable organisations, we do not consider that Creative Edinburgh is at an appropriate stage of development to introduce full membership charges for its services. However, once the strategic agenda and operating procedures have been put in place, there is potential to generate funds through service delivery. The following considers the advantages and disadvantages of each potential charging structure.

There are four models for a membership structure, these are:

- Free membership
- Annual subscription
- Pay as you go, i.e. member pays as they consume activities and services
- Brokerage system

During Year 1 of any option, we consider that membership and user fees should not be charged as negative perceptions of the brand and services which were identified during the consultation stage should be addressed. Depending on the success of Year 1, membership fees could be introduced during Year 2 or 3. The following considers the advantages and disadvantages of each membership option.

Free Membership

As at present, members would not be required to contribute financially to the operation of Creative Edinburgh. Activities delivered will include events, a website directory of members, newsletters etc.

Advantages

- Free membership will appeal to the widest cross section of companies and as such it is likely that the greatest number of members will be achieved under this method

Disadvantages

- If members are not required to pay for membership and attendance they may be less likely to attend events
- Members have indicated that they are unwilling at present to pay for services. Considerable work is required to demonstrate value of services delivered
- No earned income perpetuates public sector subsidy which is unsustainable in the medium to long-term

Annual Subscription

Under this proposal, an annual subscription charge would be levied to members. Charges must be directly related to activities, services and benefits achieved and prices charged by comparators and competitors.

Advantages

- Forecasting of income is easier as funds are achieved up front
- If members pay in advance, they are more willing to attend events and use services provided

Disadvantages

- The sector is dominated by small and medium size entities (SMEs) and these companies may view this investment in subscription as a deal breaker in terms of whether to invest or not
- Subscription may act as a disincentive to join Creative Edinburgh resulting in lower than required participation

Pay As You Go

This proposal would result in members only paying for the services which they consume and value. For instance, charges could be introduced for:

- Website postings at different levels, e.g. name and logo, job vacancies etc
- Attendance at events

Advantages

- Members would only pay for what they use and as such the value of Creative Edinburgh and its activities to members would be demonstrated by their expenditure
- Potential to generate more revenue through PAYG than annual subscription

Disadvantages

- Collection of monies owed to Creative Edinburgh on event days etc would require administration which would take time away from service delivery
- Budgeting will be difficult
- Chasing big draw events to generate income

Brokerage

This section considers the impact of developing Creative Edinburgh as a brokerage on commencement of Year 2. Under this proposal Creative Edinburgh would generate income through establishing links between buyers and sellers and subsequently taking a commission from work won by members as a result of members involvement with Creative Edinburgh. This arrangement is used by Photographers Direct and was considered in appendix A. Edinburgh would work to promote the quality of members work through marketing activities to encourage brand managers to use the website directory and other Creative Edinburgh initiatives to contact and commission suppliers of services.

The focus of events, marketing and promotional material will be on introducing suppliers to buyers. Similarly, the project manager will have responsibility for selling the website and creative sector companies to buyers to encourage them to use Edinburgh based companies.

It is understood that the Photographers Direct service is operated on the basis of trust with suppliers indicating when they have made a sale through their involvement with the organisation and website. This principle can be applied to Creative Edinburgh assuming that the focus of the organisation can be shifted to be more commercial and business development driven. Clearly there is a risk that companies may win work through Creative Edinburgh and then not inform Creative Edinburgh of its contribution, thereby avoiding paying a commission charge. This would be difficult to enforce due to the issue of additionality as members could argue that the buyer would have found them anyway.

Advantages

- Members pay for the financial benefits which they receive from being members
- Potential to generate significant income if successful
- Stimulus for manager to effectively promote the interests of the membership

Disadvantages

- Financial sustainability of Creative Edinburgh becomes purely market driven
- Would be difficult to promote companies effectively to generate sufficient income

APPENDIX C

CREATIVE EDINBURGH – OUTLINE JOB SPECIFICATION

POST TITLE : PROJECT CO-ORDINATOR (FULL TIME)

REPORTING TO : THE BOARD OF CREATIVE EDINBURGH

PRINCIPAL ACCOUNTABILITIES : To devise and deliver the Business Plan of Creative Edinburgh Ltd and to seek to achieve its targets for the creative industries sector in the city

SPECIFIC ACCOUNTABILITIES

The postholder will be required to

Co-Ordinate all activities of Creative Edinburgh Limited, including the following

- Devise the detailed Business Plan for Creative Edinburgh
- Deliver an annual operating plan for the organisation
- Secure agreement for the Business Plan from key partners and stakeholders for the Business Plan and the annual operating plan
- Report all activities and achievements to the Board on a regular basis
- Liaise on a day to day basis with the partner organisations of CE, via the formal sub group and on an informal basis
- Develop and maintain contacts with businesses in the Creative Industries sector within the city and surrounding area

LOCATION : EDINBURGH



JURA CONSULTANTS
ECONOMIC & FINANCIAL ANALYSIS

QA CHECK	
CHECKED BY	
AUTHORISED BY	
DATE	
VERSION	
REF	