

## **Appendix 2**

### **HEY LEP Create Growth Bid**

#### **Introduction**

On the 9<sup>th</sup> June 2022 the Department for Digital, Culture, Media and Sport (DCMS) invited local area partnerships in England (except London) to submit Expressions of Interest (EOIs) to participate in the Create Growth Programme (CGP) from FY22/23 to FY24/25 (three years). It was announced that each successful local area partnership will be awarded approximately £1.275 million in grant funding for business support. Creative businesses in participating local area partnerships will also have the opportunity to benefit from up to a £7 million fund for finance support, as well as investor networking activities.

After discussions with Hull City Council and East Riding of Yorkshire Council It was decided that the HEY LEP Growth Hub should lead on preparation of an EOI for the area to be submitted to the Create Growth Programme. The EOI was submitted on 7<sup>th</sup> July 2022. The HEY LEP were informed on Thursday the 21<sup>st</sup> of July that the EOI had been successful and that they were invited to develop a Full Application form. The deadline to develop and submit bids was Thursday 25 August 2022. This notification also outlined that 19 LEP/ Local Authorities had been invited to full application stage and from this 6 areas would be selected to benefit from this scheme.

To support development of the full application a grant of £10,000 was supplied, with which HEY LEP commissioned the support of Kada Research to support both development of the bid but also preparation of a report which explores barriers to growth and business support and investment requirements for creative industries (CI). This report can be utilised to inform future provision of support for the sector independent to the success or otherwise of the bid.

#### **Preparation of bid and report**

In order to ensure a well informed bid and report was produced a campaign of primary research collection was undertaken with businesses in the Creative Industries sector during August 2022.

An electronic questionnaire was completed by over 70 local business in the sector and the information collected through this method was consolidated and tested in focus group activity with both key cultural institutions operating in the HEY LEP region and also key businesses, which took place on the 19<sup>th</sup> August 2022.

This research was blended with desk based analysis of secondary sources to develop a strong understanding of the needs of the sector in this region.

The main findings of presented in the report and bid are that there is a strong creative sector that is growing with supporting assets and infrastructure that could be built on in the HEY LEP region

The challenges faced by firms highlight a lack of tailored support and different needs between cultural and digital creative firms. A number of EDI strengths and challenges were highlighted with the research with a common theme of not really understanding what the challenges might be or how to approach them.

The research with businesses and stakeholders has identified a number of potential activities to support and stimulate investment in the sector:

- Improving investment readiness in creative industries for instance around proposition development, business planning, market and technology development and talent development. This could be achieved through a creative investment gateway.
- Boosting the profile and opportunities for the film, production and games sector where latent opportunities have been identified.
- Using technology to develop products and services and access new markets including audience development and extending the reach of the experience sector.
- Supporting CI with new market development including the exploitation of international trade opportunities (a Consortium Steering Group priority) including the potential of digital technologies to 'reduce the drag of distance.'
- Developing the knowledge of the investment process and scale up approaches amongst the leaders and managers of CI firms.
- Demystifying investment opportunities for the sector and offering impartial funding advice and 'money with active management.'
- Brokering introductions to investors and peers as well as high calibre creative sector mentors and leading on and demonstrating investments in diverse companies and those that embrace diversity.
- Showcasing local strengths in creative and digital technologies which, combined with high-quality broadband, provide an attract proposition for investment and relocation and for exploiting global opportunities and new markets.
- Supporting creative and digital supply chain opportunities with major companies headquartered in the region including supply chain opportunities in renewable energy and manufacturing corporates and cross estuary activity on clean growth, ports and manufacturing.
- Identifying opportunities for digital technologies to help achieve local ambitious Net Zero aspirations.
- Helping the sector overcome EDI challenged by:
  - Attracting and retaining diverse talent and being more proactive about engaging local talent.
  - Increasing the number of disabled people in the creative industries.
  - Raising awareness in the business/investor community and promoting diverse opportunities.
  - Offering good practice advice and awareness raising.

In addition, partners would like to link into investors with experience of investing in:

- The fast-growing Post-COVID-19 Experience Economy including audience development and technology development (immersive experience etc).
- Creative content including film and TV (the region has some exciting untold stories that reflect our unique history and heritage). Specialist advice required by local firms mentioned at the business workshops included tax, equipment, music rights and licensing, software IP, bidding for commissioning opportunities and market development and monetisation.
- Creative services including software development, computer programming, visual media and metaverse development including immersive games.
- Creative companies that are strong on EDI.

### **Next steps**

We anticipate a decision from the DCMS on our bid imminently.

A draft version of the Creative Sector Report is included with the papers for this meeting. Following finalisation we will circulate this to all partners involved in the development of the document and will actively seek methods, in partnership, to implement the suggested actions as digital and creative industries are classed as a key sector in the HEY LEP Economic Growth and Workforce Wellbeing Strategy as well as both Hull and East Yorkshire's Economic Strategies.