

London Creative Network

London Creative Network Evaluation

Final summative programme evaluation
Final

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BOP
Consulting



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Executive Summary

The programme

London Creative Network (LCN) was a professional development programme for London-based creative businesses. It was delivered from spring 2016 to early 2023 by four independent support organisations: Cockpit, Four Corners, Photofusion and SPACE. SPACE acted as the lead partner. LCN was part-funded by ERDF. The programme ran from spring 2016 to spring 2023.

Across the four Phases, LCN's goals were to increase the growth capacity of small and medium-sized enterprises (SMEs) in the creative sector in London. It focused on micro businesses in the visual arts, design, craft and photography. LCN provided them with the necessary skills, tools, confidence, outlook, and network to sustain business growth in this competitive sector in the longer term. Particular focus was given to supporting practitioners to innovate through exploring new technologies and processes, as well as to develop new business skills and creative direction. In this, the programme responded to clear intervention rationales around the precarious financial situation in which many creative businesses and practitioners operate in London; ongoing technological change; the lack of professional development support for mid-term career practitioners; and the particular characteristics of entrepreneurs in the creative industries, often featuring irregular business growth and project-based work.

To support these aims, the four partners provided a range of activities, including needs assessment, 1-2-1 support, seminars, workshops and talks, networking and showcases.

Achievement of output, engagement and financial targets

LCN largely achieved its output, engagement and financial targets. Over the seven years of its delivery, there was little creep in terms of output or budgeting shortfall; a testament to the success of the partnership's management structure, which dedicated clear resources and responsibility for performance.

LCN was a very intensive programme that clearly engaged its participants. A large majority of participants completed one of the outputs of the programme, with targets for participant engagement almost achieved for three hours of support (P13, at a drop-out rate of 4.3% only) and 12 hours of support (C1, C4).

Participants received on average twice the hours of supports needed to claim an output, showing a deep engagement between the partners and the sector. Furthermore, LCN exceeded targets in the provision of support to introduce new products but underachieved in relation to the number of new businesses supported. Registered shortfalls were largely to the reduced recruitment and delivery time of Phase 4.

LCN achieved all its engagement targets for reaching businesses led by women, people with disabilities and people from Black, Asian and minority ethnic (BAME)¹ communities, which were set ambitiously to support the diversity of the creative sector in London. It did particularly well with regard to reaching female-led businesses.

Finally, the programme achieved its financial target, completing delivery almost exactly on budget and without payment delays.

Supporting participants to improve their skills, confidence, innovation and business performance

LCN supported its participants with skills, tools, confidence and networks to develop and grow sustainable businesses. Significant impact was achieved in raising participants' skills in business planning and management, with 91% of respondents reporting a positive impact on their ability to plan for the future of their business and 86% seeing a positive impact on their ability to promote their work. The programme furthermore succeeded in **supporting participants to innovate**, with 85% of respondents reporting some level of impact on their ability to develop new products or services. 20% had launched new product or services during the programme, with an additional 35% currently

¹ Although we use the term BAME, we acknowledge that it is imperfect and does not fully capture the racial, cultural and ethnic identities of people that experience structural and systematic inequality.

developing a new offer. This impacted their sustainability positively, with 18% having already realised sales from these new products or services.

The programme's impact on financial performance was more nuanced. 75% of participants reported an **increase in their ability to better manage the financial side of their business/practice** and over 60% of participants felt that the programme had positively impacted on their turnover and profit. The **average gross turnover for participants increased by 18% after intervention**, a noticeable increase to an average of £22,000. But the impact on profits was not yet supported by the data available and the proportions of core and supplementary income appear not to have changed between pre- and post-intervention, highlighting a continued reliance on other income. Reflecting this, despite 50% expecting their turnover to be higher in the year of programme completion compared with the previous year, participants highlighted ongoing concerns about their ability to make a living from their business.

Taken together, these achievements suggest a **considerable impact of the programme on participants' ability to run and develop their businesses**. While this does not (yet) translate clearly into financial sustainability, this may lie both in the time frame of the research - changes in skill, planning, products etc. are likely to take a while before they translate into financial impact - as well as the many external factors that impact on businesses' finances during the programme's delivery period, in particular during the Covid pandemic and cost of living crisis.

LCN's economic impact on London

LCN's economic impact was assessed based on the programme's additionality; net turnover and GVA; and value for money.

- Data suggests that whilst not all changes can be attributed directly or only to LCN, for the majority of participants, a proportion of experienced change was down to the programme, with 78% reporting some level of impact and 28% that they would have achieved only few of the same results without LCN. The programme also had an impact in the speed at which participants experienced changes, making it an accelerator for participants and by extension for the creative sector in London.

- The programme overall led to a gross turnover uplift of £3.89m, which was calculated to translate into a **net turnover uplift of £1.71m and an annual GVA uplift of £1.06m**. It is important to bear in mind the relatively high displacement that needed to be factored in, resulting from a high proportion of participating firms' competitors being based in London.
- On the assumption that benefits from engaging with LCN will last for between two and four years, the Net GVA would come to a medium Net GVA-to-cost ratio of 1.4. This suggests a return of £1.40 in GVA for every £1 of public money invested, meaning a positive value for money ratio within a four-year period.

Participants' reflections on programme delivery

Respondents were **very positive about their experiences and the achievements of the programme**. A majority (79%) felt both that their objectives for the programme were met, and that they achieved their results faster as a result of being on the programme (75%). Highlighting the unique value of the programme, a third of respondents thought that they would have achieved either none of the same or only a few of the same results if they had not been able to participate. There was moreover high satisfaction in terms of the programme addressing participants' expectations and needs; allowing participants to engage and make the most of participation; and a sense of the programme achieving lasting impact. The majority of participants moreover confirmed that they would recommend the programme to others in their industry.

Given the programme's ambition to support participants from a diverse background, it is worth noting that participants from BAME backgrounds registered even more positive responses than overall, including being more likely to recommend the programme compared to participants overall. This highlights the programme's ability not only to recruit, but to positively engage BAME participants throughout the programme.

Conclusion and recommendations

Overall, LNC was very successful in supporting the development of the small businesses – predominantly sole traders – who participated in the programme. Across the seven years of delivery, LCN largely achieved its output and engagement targets. Participant fall-out from the programme was minimal, testament – alongside highly positive respondent feedback – to the value that participants saw in taking part and as such providing a highly positive review of the programme. Importantly, LCN provided this support to creative SMEs who believe that very few similar opportunities for support exist elsewhere.

As intended, LCN achieved strong outcomes in supporting participants in gaining new technical skills and tools, business acumen (in terms of both planning and management), networks and confidence to develop and grow their businesses. As a consequence, the programme was moreover able to encourage and support participants in gaining the ability and confidence to innovate in terms of creative direction, new products and services.

The financial impact of the programme was at the time of research shortly after the programme ended still more nuanced – there was a noticeable impact on turnover and new sales already being realised from new products; but this did not yet clearly translate into increased profit, income diversification or business sustainability. However, this is to be expected: the impacts on skills, networking, confidence and innovation will take a while before they translate into financial impact, and at such are unlikely to already be fully captured by research at this point. Moreover, a variety of external factors impact on a business's income and profit, many of which lie outside the scope of LCN's impact.

Crucially, at this point, **the increased skills, confidence, business acumen and innovation capability reported by participants are all important vehicles to achieving improved financial sustainability in the longer term** and thus encouraging signs that the programme may have a stronger financial impact in the longer term. And this was already visible in the development of new products and services, and indeed the deriving of income from these specifically and the increased turnover reported more generally.

It is as yet unclear what may happen next in terms of programme provision. Nevertheless, the report highlights some key recommendations that could support any future programme that may take place. These can be found in Section 7.

1. Introduction

1.1 The programme

London Creative Network (LCN) was a professional development programme for London-based creative businesses. It was delivered from spring 2016 to spring 2023 by four independent support organisations: Cockpit, Four Corners, Photofusion and SPACE. SPACE acted as the lead partner.

LCN built on the success of its predecessor, the New Creative Markets² (NCM) programme, which was delivered through SPACE and delivery partners, and part-funded by the European Regional Development Fund (ERDF). NCM ran between 2012 and 2015 and supported almost 600 freelancers and businesses in the creative sector, leading to significant business impacts.

LCN was funded at 50% by the European Regional Development Fund (ERDF) under Priority Axis 3 (Enhancing the Competitiveness of Small and Medium sized enterprises), and Investment Priority 3c (Supporting the creation and the extension of advanced capacity for products, services and development). This was managed by The Greater London Authority. The final total contracted budget for the programme was £4,527,658, with a grant level of £2,263,829 from ERDF. It was provided free of charge to eligible businesses across 32 London boroughs.

Across the four Phases, LCN's goals were to increase the growth capacity of small and medium-sized enterprises (SMEs) in the creative sector in London. It focused on micro businesses in the visual arts, design, craft and photography. LCN provided them with the necessary skills, tools, confidence, outlook, and network to sustain business growth in this competitive sector in the longer term. Particular focus was given to supporting practitioners to innovate through exploring new technologies and processes, as well as to develop new business skills and creative direction. As such, the programme promoted a healthy ecosystem of sustainable and diverse creative SMEs; contributing to ensuring London's enviable position as a global leader in the creative industries.

LCN focused its support on mid-career creative practitioners, with delivery activities provided over a period of six or more months.

The programme was originally planned to run from Spring 2016 to Autumn 2018 and had a budget of £2m (Phase 1). It applied and was approved for several extensions from the Greater London Authority on the strength of its performance and continued relevance, adding budget and outputs to the original agreement. Phase 2 was announced in autumn 2018, enabling the programme to continue delivering support until summer 2020. A second extension to the programme (Phase 3) was agreed in Summer 2020, which allowed delivery to continue until winter 2021. A final extension (Phase 4) signed off in June 2022 for the period of April 2022 to March 2023.

1.2 The evaluation

In November 2016, BOP was commissioned to evaluate Phase 1 of LCN; this was followed by subsequent commissions to remain the evaluation partner for Phases 2-4 of the programme, including undertaking the final programme evaluation by March 2023.

This report represents the summative final evaluation of delivery across all four phases. Data for Phase 3 and 4 is drawn from feedback and review forms, whilst data for Phase 1 and Phase 2 comes from previous evaluations.

The core objective for the evaluation has remained the same across the phases and for the overall summative programme evaluation: to provide clear and robust evidence for what has been achieved through the LCN programme, based on a logic model developed for the programme (see Appendix 1); and to identify what the lasting benefits and impacts were across the designated outcome areas. This evaluation builds on the narrative that was developed in the previous evaluations, enabling the LCN to be viewed as a whole. Looking to the future, by examining the validity of the original rationale for LCN and determining the ongoing needs of businesses, this evaluation can support the design of future interventions going beyond the ERDF funding agreement.

² <https://spacestudios.org.uk/wp-content/uploads/2016/03/NCM-Programme-Achievements.pdf>

2. Programme overview

2.1 Rationale for intervention

London's creative industries are an important and growing sector. They represent a significant part of the capital's economy, as well as a substantial share of the sector in the UK as a whole. In 2015, the economic output (GVA) of the creative industries in the capital was estimated at £42 billion, accounting for 11% of total GVA in London. This was just under half (47%) of the UK total for the sector. Between 2009 and 2015, the GVA of the creative industries in London increased by 38%, compared to a 31% increase across all industries.

However, creative practitioners and businesses in London face significant challenges. The experience of individual creative practitioners and businesses in London often differs from the GVA success story. At £20.38 per hour, median hourly pay for employees in London's creative economy is almost a third higher than outside the creative economy in 2016. However, this includes (and is skewed by) the salaries of highly lucrative IT workers and excludes those who are self-employed, which accounts for 47% of the creative workforce nationally. Fine artists and photographers earn a median wage of as little as £10,000 and £15,000 a year from their practice, respectively.

Rents for London's artist workspaces are high and rising, while turnover and earnings are low, particularly in the sub-sectors in which LCN focused: visual arts, craft and photography. The Greater London Authority found in 2017 that 79% of artist studio spaces cost more than £11 per square foot, compared to 56% in 2014³. This has meant many creative businesses and practitioners are operating in precarious conditions and often it is difficult for them to develop strategies which allow for their long-term sustainability.

Technological change is also putting pressure on traditional business models. While there are opportunities with new technologies around product innovation

and brand promotion, it is important that these opportunities are shared and understood across all sub-sectors and practitioners. Sector support agencies, such as the Crafts Council and a-n, are seeing a demand from practitioners for support to help adapt their approach to new operating conditions, particularly from mid-career practitioners who have been out of education for a long time.

“ [We are seeing a] need to reconnect with a trusted organisation that can support them and help navigate them in this fast-changing marketplace. (Crafts Council)

However, recent research found that *“in today's place-based policy frameworks, recognition of [creative freelancers'] richness of contributions and value [to local and national economies, communities and culture], and understanding of how different creative freelancers generate such value, should attract greater levels of investment, funding and support.”*⁴

As a key element of this, professional development support for creative practitioners is limited and fragmented. Recent research based on interviews with 84 UK-based creative freelancers thus highlighted the need for the provision of more *“appropriate business support”* for creative freelancers, based on the knowledge that *“there is a known sectoral issue of limited and patchy engagement with business support programmes (including start-up and access to finance), poor understanding of the generic agencies and delivery channels and concerns amongst creative freelancers about 'relevance' and lack of understanding of creative and freelancer drivers”*.⁵ Few creatives are accessing support from 'mainstream' training, such as Growth Hubs. In addition, much of the sector support that is available focuses on recent graduates, leaving an important gap for mid-career practitioners.

Businesses within the creative industries have specific and unique characteristics. As founders or entrepreneurs, creatives are likely to have

³ GLA Artist Workspace Study (2018), <https://www.london.gov.uk/sites/default/files/2018-artists-workspace-study-data-note.pdf>

⁴ Coventry University Research Blog, Henry, Nick and Broughton, Kevin, Creative Freelancers: Staying Above the Radar: <https://blogs.coventry.ac.uk/researchblog/creative-freelancers-staying-above-the-radar/>

⁵ Coventry University, Research Centre Business in Society (2021). Mind the Understanding Gap. The Value of Creative Freelancers, <https://www.creativeunited.org.uk/wp-content/uploads/2021/08/Mind-the-Understanding-Gap-The-Value-of-Creative-Freelancers.pdf>

different ambitions and goals to those in other sectors, such as pursuing work life balance or creative passion. They are in a sector where the opportunities for business growth are not clear or linear, and characterised by project-based work. They are typically risk averse but in a highly risky, precarious sector. Furthermore, if they grow, they are likely to grow externally, rather than internally (i.e. they take on freelancers rather than employees).

It is this unique operating context, as well as the special characteristics of the sector itself, which supports the argument for the provision of specialist, sector-specific support programmes, such as LCN.

2.2 Programme objectives

LCN aimed to increase strategic vision, management proficiency and business literacy in SMEs in the craft, design, photographic and visual arts sectors to develop practitioners' growth capacity. As part of this, LCN assisted creative SMEs' growth through the development of new products, services and innovative processes, thereby improving the sector's growth capacity and sustainability. In doing so, the project built on the success of the New Creative Markets (NCM) programme, which increased sales in new markets, GVA and business sustainability through specialist mentoring, one-to-ones, workshops and networking events in the same sector as LCN.

The core objective of LCN was to work with 1,120 London-based SMEs to identify and implement tailored growth plans. This included:

- Identification of constraints to growth, internal barriers and gaps in business literacy and technical infrastructure limiting product quality and sales growth
- Support to develop strategic vision, identify goals and milestones for development of their business
- Provision of information, training and support to reach milestones
- Provision of a peer network
- Provision of opportunities for new product development and showcasing

To encourage diversity and representation, LCN had specific targets for working with certain groups. These were: female-led enterprises (60%), enterprises led by someone with a disability (10%), and enterprises led by someone from the Black, Asian and Minority Ethnic (BAME) community (20%).

LCN's outputs and outcomes

To reach these overarching objectives, LCN was designed to deliver the following outputs and outcomes. The output targets focused on five levels of business support received by the participants, reflecting both the number of hours participants dedicated to participation in the programme, as well as the type of support received.

Output targets	Final overall programme target: no. of participants
Enterprises receiving information, diagnostic, and brokerage support (P13: at least three hours of support received)	1,120
Enterprises receiving support (C1: at least 12 hours of support received)	978
Enterprises receiving non-financial support (C4: at least 12 hours of support received)	978
Enterprises supported to introduce new-to-firm products (C29)	282
New enterprises receiving support (C5)	32

Within the programme funding application and delivery plans, the purpose of the programme is articulated as the “*creation of a successful group of creative industries across London, able to share in the growth possibilities of the sector*”. To achieve this, LCN set out to support participants along a developmental journey of improved skills, knowledge (including in business and financial planning and management) and networking leading to increased confidence, creative ambition and business innovation, then translating more long-term into increased turnover and profit.

Based on this, the programme identified the following outcomes, as included in the programme logic model (see Appendix).

Releasing creative ambition

LCN helps creative SMEs to define their creative goals, thereby improve the quality of their products and find more efficient processes for managing their businesses. As a result, beneficiaries:

- Have more time for the creative side of their work.
- Feel more satisfied and confident to undertake new creative direction for their businesses.

Innovation uplift

LCN beneficiaries develop and launch new products and services, improving their method of assessing viability of product/service ideas, gain knowledge of new business models and processes/techniques. The resulting impacts are:

- Increase in sales
- Adoption of new business models.
- A positive attitude towards change and innovation.

Improved business performance

After LCN, creative SMEs improve their business performance, become more competitive and sustainable. Impacts are measured by:

- Improved business indicators (turnover, GVA and employment).
- Increased earnings from activities.
- Improved business management.
- Improved strategic vision and planning.
- Development of a network leading to outsourcing and subcontracting.

Strategic added value

Lastly, a range of additional impacts of LCN on the sector were forecast:

- Raising the profile for business development support.
- Maximising the value of the consortium partnerships.
- Developing new links and strategic relationships with other organisations or projects, which add value to the programme.

- The LCN partners are committed to encourage participants' full engagement with the programme in order to maximise its positive impacts on businesses.

2.3 Activities undertaken by the programme

LCN was delivered by four sector support organisations: Cockpit, Photofusion, Four Corners and SPACE. Each partner brought their own expertise working with a particular sub-sector and delivery model. Although the exact delivery model varied across the partners, the LCN programme tended to include the following activities:

- Needs assessment/enterprise diagnostic
- 1-2-1 support and advice
- Seminars, workshops and talks
- Networking events
- Showcases

In addition to direct delivery, the four delivery partners meet quarterly. These meetings were the main channel for sharing knowledge, updates on spend and outputs, and overcoming common challenges. Ongoing engagement with partners also happened through marketing activities and cross-partners events (e.g. exhibitions and showcases). LCN's marketing included the production of a shared identity, a short film about the programme, monthly participant 'stories', a newsletter, as well as regular social media promotion. These activities were led by the programme management team at SPACE in collaboration with the delivery partners.

Cross-partner events and networking sessions were open to all LCN participants, rotating between different partner's studios each time. The event management of these was led by the hosting partner and coordinated by the management team at SPACE.

3. Achievement of output, engagement and financial targets

Key findings

LCN largely achieved its output, engagement and financial targets. Over the seven years of its delivery, there was little creep in terms of output or budgeting shortfall; a testament to the success of the partnership's management structure, which dedicated clear resources and responsibility for performance.

LCN was a very intensive programme that clearly engaged its participants. A large majority of participants completed one of the outputs of the programme, with targets for participant engagement almost achieved for three hours of support (P13, at a drop-out rate of 4.3% only) and 12 hours of support (C1, C4). Participants received on average twice the hours of supports needed to claim an output, showing a deep engagement between the partners and the sector. Furthermore, LCN exceeded targets in the provision of support to introduce new products but underachieved in relation to the number of new businesses supported.

Registered shortfalls were largely to the reduced recruitment and delivery time of Phase 4.

LCN moreover achieved all its engagement targets for reaching businesses led by women, people with disabilities and people from BAME communities, which were set ambitiously to support the diversity of the creative sector in London. It did particularly well with regard to reaching female-led businesses.

Finally, the programme achieved its financial target, completing delivery almost exactly on budget and without payment delays.

programme also agreed diversity targets focused on engaging business led by people belonging to communities less represented in the creative sector such as women, BAME and disabled.

Looking first at the output targets, these reflect both the hours participants dedicated to participation in the programme, as well as the type of support received. As such, they began with **P13** at the start of participants' journey, representing three hours of support received, including information, diagnostics and brokerage support. This was followed by **C1 and C4**, representing at least 12 hours of support. Following this, participants could register for output **C29**, to gain support for the introduction of new products. Lastly, a smaller number of new enterprises could sign up for support under output **C5**.

Over the four phases of delivery, LCN successfully engaged 1,145 participants. The programme provided a total of 2,396 hours of one-to-one and 24,289 hours of workshops – or put consecutively, over 3 years of live support to the creative sector in London. Overall, the LCN programme was an intensive programme with a very low drop-out rate and highly involved engagement between delivery partners and participants. Participants received an average of 25h of support each, more than twice the requirement for a contracted C1/C4 output (12h).

LCN was successful in achieving its output targets, with four targets almost achieved and one target exceeded (see Figure 1). The drop-out rate among all engaged participants for P13 was at only 4.3% of all participants. There was moreover a slightly smaller than expected drop-off of 138 participants between the three-hour (P13) and 12-hour outputs (C1 and C4, programme targets factored in a drop-off of 142 participants). This indicates that a large majority of participants were positively encouraged by their initial participation to commit further time to the programme. This was followed by the programme outperforming its target by a surplus of four for output C29, support to introduce new products. The proportionally largest shortfall came in the number of new enterprises recruited for C5.

Output targets

LCN agreed levels of outputs and outcomes with the Greater London Authority, which were reviewed across the programme lifetime at each extension. The

Figure 1 Outputs achieved overall programme, by number of enterprises receiving support (2023)⁶

Output	Final overall programme target	Final overall programme achieved
Total participants engaged		1,145
P13: at least 3hrs of support Enterprises receiving information, diagnostic, and brokerage support	1,120	1,096 (97.9% of contracted target and 95.7% of all participants) shortfall of 24
C1: at least 12 hours of support Enterprises receiving support	978	958 (98% of contracted target and 83.7% of all participants) shortfall of 20
C4: at least 12 hours of support Enterprises receiving non-financial support	978	958 (98% of contracted target and 83.7% of all participants) shortfall of 20
C29: innovation Enterprises supported to introduce new-to-firm products	282	286 (101.4% of contracted target and 24.9% of all participants) excess of 4
C5: for new enterprises New enterprises receiving support	32	25 (78% of contracted target and 2.2% of all participants) shortfall of 7

Source: LCN programme management information (March 2023)

⁶ It should also be noted that the presented figures do not yet include final figures for the final claim (29), as these have not yet been completed. The actual final figures may therefore vary slightly from the numbers presented here.

⁷ Challenges existed due to the then new introduction of the category leading to the opportunity being less well known among eligible participants, and due to the Covid pandemic, which meant that fewer businesses sought support in the format offered by LCN.

The shortfalls in the targets P13, C1 and C4 appeared during Phase 4, with the overall targets at the end of Phase 3 having been slightly exceeded. The main reason for the final shortfall lies in the late signature date of the funding agreement for Phase 3, which resulted in the recruitment and delivery phase having to be compressed into seven months rather than one year (as in previous phases).

The larger shortfall for target C5 (support to new enterprises) already appeared in Phase 3⁷ and is further explained by an ongoing challenge for the programme in getting evidence from participants that they had registered as new enterprise with HMRC (and hence fell into this category).

Engagement targets

LCN had ambitious targets to support the diversity of the creative sector in London and was highly successful in reaching these. Overall, LCN reached or exceeded all three key engagement targets focused on reaching participants led by demographics less represented in the creative sector than in the London average population. Looking across the phase 1 to 4 data, LCN...

- ...exceeded its set 60% target of working with female-led businesses, with 71.4% of engaged businesses being led by women.
- ... reached its 10% target for engaging businesses led by someone with a disability, reaching 10.6% in total.
- ... exceeded its 20% target for engaging businesses led by someone with from a BAME⁸ background, reaching 21.4% in total.

Further highlighting the programme's success in reaching out to diverse participants, participants from BAME backgrounds also rated the programme

⁸ Although we use the term BAME, we acknowledge that it's imperfect and does not fully capture the racial, cultural and ethnic identities of people that experience structural and systematic inequality.

very highly and were more likely than participants overall to recommend the programme (see Section 6).

Figure 2 Target groups and achievements overall (2022)

Proportion of business which are:	Overall programme target	Overall programme Achieved
Female-led	60%	71.4% (n=1,035)
Led by someone with a disability	10%	10.6% (n=1,016)
Led by someone from the BAME community	20%	21.4% (n=1,159) ⁹

Source: Programme diversity monitoring register (2023)

Financial overview

The overall final budget for the LCN programme was £4,527,670, across four consequent funding phases. 50% of this was from the ERDF, with the four delivery partners providing match funding contributions.

The programme achieved its financial target, completing delivery almost exactly on budget (with an expected final budget close to the target amount contracted) and without payment delays.

Figure 3 Final programme budget compared to contracted target amount

Source	Contracted	Forecast final budget
ERDF	£2,263,829	£2,263,522
Match funding	£2,263,829	£2,263,522
TOTAL	£4,527,658	£4,527.043

Source: Programme management data (2023)

⁹ This includes all who responded 'mixed', 'Asian', 'Black' or 'other' (as opposed to 'white', 'not stated')

Introducing the participants: Barry Sykes

Barry Sykes is an artist whose passion for handmaking is evident in his thought-provoking sculptures, performances, and works on paper. With a fine art degree from Chelsea, Barry's artistic expression has been guided by his interest in exploring the human experience through art. His works are deeply rooted in the themes of authenticity, pleasure, and human connection, offering a unique perspective on the power of art to evoke emotions and challenge perceptions.

After coming across LCN on social media, Barry developed a keen interest in the programme. He decided to apply the following year, driven by his curiosity about the initiative, as well as his hope that it would help alleviate his doubts and frustrations about his practice.

“ It was a really nice, short, and accessible application which is great.

While maintaining his studio practice, Barry signed up for multiple seminars, as he was enthusiastic about learning as much as possible. Although he found remote classes convenient, as they allowed him to balance his daily routine, he particularly enjoyed attending in-person seminars. These **enabled him to create stronger connections** with other creatives on the programme. He believes that having fortnightly in-person sessions would have provided him and other creatives with a more personal understanding of each other's work, ultimately fostering mutual support and encouragement in the future.

“ What was interesting about the course, were the blended groups of graduates and artists at various stages of their career - it was a great learning experience.

Barry's participation in the LCN has significantly **improved his self-confidence and professional growth**. He now feels more confident in

charging for his services and is more likely to set a clear fee for his work, which he has found clients are generally happy to pay. He has since **expanded his offerings**, creating packages tailored to schools and committing to producing more **targeted content on social media**. This has facilitated the formalisation of his business and made it more appealing to potential clients. Consequently, he feels more self-assured when initiating new connections and engaging in more effective networking, while also adopting a more proactive approach in pursuing his goals.

“ London Creative Network has certainly helped me generate projects and commissions. It's given me an extra 10% and that's all it takes to push my practice forward.

He found the team's commitment and expertise impressive, as they engaged numerous professionals who provided valuable insights, essentially *"bringing in external expertise."* However, he believes that extending mentorship beyond the programme's duration could have offered sustained support to the creatives. Barry found that some elements of the programme were demanding due to the extensive information participants had to absorb and believes a practical aspect being incorporated into the course would have enhanced his experience. Nevertheless, he considers LCN to be crucial as it is free, **enabling a wider range of individuals to participate.**



Image courtesy of Barry Sykes



4. Supporting participants to improve their skills, confidence, innovation and business performance

Key findings

LCN supported its participants with skills, tools, confidence and networks to develop and grow sustainable businesses. Significant impact was achieved in raising participants' skills in business planning and management, with 91% of respondents reporting a positive impact on their ability to plan for the future of their business and 86% seeing a positive impact on their ability to promote their work.

The programme furthermore succeeded in supporting participants to innovate, with 85% of respondents reporting some level of impact on their ability to develop new products or services. 20% had launched new product or services during the programme, with an additional 35% currently developing a new offer. This impacted their sustainability positively, with 18% having already realised sales from these new products or services.

The programme's impact on financial performance was more nuanced. 75% of participants reported an increase in their ability to better manage the financial side of their business/practice and over 60% of participants felt that the programme had positively impacted on their turnover and profit.

The average gross turnover for participants moreover increased by 18% following LCN, a noticeable increase to an average of £22,000. But the impact on profits was not yet supported by the data available and the proportions of core and supplementary income appear not to have changed between pre- and post-intervention, highlighting a continued reliance on other income. Reflecting this, despite 50% expecting their

turnover to be higher in the year of programme completion compared with the previous year, participants highlighted ongoing concerns about their ability to make a living from their business.

Taken together, these achievements suggest a considerable impact of the programme on participants' ability to run and develop their businesses. While this does not (yet) translate clearly into financial sustainability, this may lie both in the time frame of the research - changes in skill, planning, products etc. are likely to take a while before they translate into financial impact - as well as the many external factors that impact on businesses' finances during the programme's delivery period, in particular during the Covid pandemic and cost of living crisis.

Participants' intended outcome journey

Overall, the programme aimed to support a developmental journey among participants of improved skills and knowledge (including in business and financial planning management) and networking leading to increased confidence, creative ambition and business innovation (in the form of new products and services and changes in creative direction), then translating more long-term into increased turnover and profit.

The following sub-sections consider LCN's achievements in supporting participants in reaching these successive steps.

A note on data

Throughout the following section, we make reference either to feedback pre and post intervention. However, as delivery has only just completed for Phase 4 participants, the latter is largely based on feedback from previous phases.

4.1 Business planning and management and networking

Overall, LCN had a significant positive impact on participants' ability to plan for the future of their business, with 9 in 10 respondents (91%) reporting some level

of positive impact and more than half of all respondents reporting a large positive impact (55%) (n=395). Among key elements of business planning and management:

- The majority of respondents felt that LCN made a positive impact on their ability to promote their work, with 86% identifying some level of impact, and more than a third (40%) of all respondents describing this as a large positive impact (n=394).
- Respondents were also confident about their ability to promote new products or services, with around two thirds (63%) giving a score between 7 and 10 on a scale of 1 to 10 and an average score of 6.7 (n=395).
- Respondents also reported improved confidence in their ability to better manage the financial side of their business as a result of taking part in LCN, with 75% reporting some positive level of impact, including 31% who reported a large positive impact on this (n=395).

“ It had helped my make realistic plans, breaking them down in specific actions and setting timelines to achieve them. (participant)

- As another element of business planning and management, participants were asked at the end of the programme how important it is to have access to a supportive peer network. The average score out of 10 was 8.9, with just over half of respondents (53%) giving a score of 10 (n=980), indicating the huge value participants saw in networking and connecting. Significantly fewer respondents reported actually feeling connected to a supportive peer network, with an average of 5.5 out of 10 (n=982). Qualitative feedback however highlighted that participants valued the chance of meeting and exchanging information with other creatives and creating connections.

“ It's allowed me to hear the experiences of other creatives which has helped me with ideas for my own business. (participant)

“ Meeting a great network of people. having important conversations that I have been holding off on. Allowing me to think more ambitiously and long-term. (participant)

4.2 Skills in new processes / techniques

Overall, the programme was highly successful in achieving its aim to assist London creative SMEs develop new processes and techniques.

Over three quarters of respondents (80%, n=972) were confident in their ability to fully produce products and services in-house, whilst 73% (n=972) were confident that they can access the right production methods. Indicative of this positive impact on participants' ability to access and use production methods, when asked about developments in the past 12 months, a quarter also confirmed the development of new processes to supporting a *new* product or service (n=258).

Participants moreover identified both a positive impact on their ability to use a new creative process or technology (74% reported little, some or large positive impact, with 35% reporting the latter, n=394) as well as high levels of confidence around developing products (out of answer options from 1 to 10, 86% ranked their confidence at 6-10 and almost a third at 29% at 9 or 10, n=977) and accessing the right production methods (73% ranked their confidence as 6-10 and 16% at 9 or 10, n=972).

“ I feel LCN gave me practical, creative and spiritual hands-on skills and tools on how to better manage my business, to get new inspiration. (participant)

“ Being part of LCN has had a big impact on me and my business. It allowed me to gather a collection of tools that I believe will change many aspects of my business. (participant)

4.3 New products or services

LCN succeeded in its aim to support London-based creative SMEs to develop new services and products, with the number of participants achieving this output target exceeding programme targets (see Section 3). Further participant data gives a fuller picture of the impact of the programme.

Asked about new ideas or products in development in the past 12 months, feedback highlighted that participants are already realising new products or services as a result of taking part in the programme. Amongst those who completed the impact form (n=248¹⁰):

- 40% have new product or service ideas for future development
- 35% have new products or services under development
- 20% have launched new products or services; and
- 18% received an income from a new product or service

These figures are likely to increase in the longer term, as the majority of respondents (85%) reported feeling that the programme had made some level of impact on their ability to develop new products or services. Supporting this, there were also high levels of confidence in developing new products or services reported by respondents. A third of participants reported feeling very confident in their ability to do this a result of participating in LCN (a rating of 9 or 10 on a scale of 1 to 10) and overall, 8.6 in 10 respondents reported having some level of confidence. This suggests that LCN is successful at increasing confidence and providing participants with opportunities to realise the potential of their businesses.

4.4 Change in creative direction

LCN identified the need to support participants in making changes in their creative direction in order to improve overall business success. As a result of targeted support, figures strongly demonstrate the impact that the programme

had on participants' ability to develop a new direction for their work and diversify their approaches.

Participants gave an average score of 7.4 out 10 when asked to rate whether, as a result of participating in LCN, they had been able to develop a new creative direction for their work, with 71% of participants giving a score of 7 or higher (n=384). This is likely to be linked to a number of factors explored above, including the gaining of new skills, the development of new products or services, and improved ability to plan for the future.

Introducing the participants: Siân Dorman

Siân Dorman is a costume designer and set installation artist who specialises in sustainability and eco-consciousness. Having graduated from UAL in Textile Design, she incorporates a variety of materials, including discarded fabrics, collected waste plastics, vegetables, fruits, and other natural elements, to create wearable art and set installation sculptures. Her work is committed to reducing waste and promoting sustainability in the fashion and art industries.

She was introduced to LCN at Cockpit by a friend who had participated in the programme and found it helpful in monetising their creativity. Siân felt she lacked the necessary knowledge to do the same and was therefore looking for support and direction. She believed that the programme could help her develop her business skills and was eager to participate in various activities, such as seminars on how to create a brand story, build a successful website, and manage taxes.

“ I took part in everything as the [seminars] gave me a lot of clarity.

Simultaneously to her involvement in LCN, Siân was chosen to participate in London Made Me, a boutique pop-up project showcasing the city's

¹⁰ Due to the way this data is captured, actual total number of respondents for these questions is not available. Instead, the largest number of respondents across other questions has been used as a proxy.

artists, creatives, and makers, supported by the Mayor of London. Siân attributes her success at the pop-up shop to her participation in the LCN programme, which **helped her prioritise and plan her efforts effectively**. She also believes that her involvement in LCN **helped her develop a more strategic and business-focused mindset**, which was instrumental in achieving success at the pop-up shop.

Despite the absence of mentorship¹¹, which Siân feels would have been beneficial, she was still able to establish **valuable relationships with other participants** due to the programme's in-person delivery. This delivery method facilitated group discussions and collaborative work, allowing Siân to connect with her peers and build strong relationships. Siân credits LCN's focus on group work for fostering these relationships and enabling her to **exchange advice and information** with her fellow participants. She has **continued to benefit from these connections** even after the programme ended.

Siân has experienced a **significant increase in confidence and clarity about her work** since participating in the LCN programme. She has also gained a clear sense of direction, which has helped her to focus on her goals and set a structure for her business. As a result of this, she launched a new brand name, "Plastique by Siân," and successfully launched her website ahead of schedule.

She has also **started delivering workshops** in her local borough of Haringey, focused on upcycling waste and household materials to create new products and crafts. These workshops cater to a diverse range of audiences, including adults with disabilities, adults interested in jewellery making, and children interested in craft making. Despite the variety of workshops offered, they all align with the core theme of Siân's business - upcycling and reducing waste.



Image courtesy, Siân Dorman

Siân credits her **newfound motivation and success** to the support and advice she received through LCN. She found the workshops to be highly motivating and inspiring, leaving all participants feeling energised and enthusiastic about pursuing their goals.

“ LCN was great. I think my focus changed the most. I didn't really have a path, and now I know where I'm going. The newfound confidence, support, and advice that I received from the programme really gave me the push I needed.

¹¹ LCN delivery partners personalised their approach and some offered mentoring while others did not.

4.5 Turnover

Based on analysis of turnover data provided by participants pre- and post-participation in the programme, this suggests that LCN overall positively impacted participants' turnover following completion.

Analysing the data from 312 tracked participants who provided open-text information on turnover pre-and post-participation, we can report a 18% increase in average turnover after LCN. As a group, the tracked participants' turnover increased from £5.5m to £6.4m; a £0.9 increase. On average, this represents an increase from £18,600 to £22,000, a **£3,400 increase** (18%).

This is a significant improvement for beneficiaries that in the majority are sole traders working on their own.

Using average turnover figures based on this sample to extrapolate across all 1,145 participants of LCN, this would mean a change from £21.3m to £25.2m with an increase of £3.9m. These figures are used in Section 5 to calculate the programme's economic impact.

Analysis of bracketed turnover data provided by a slightly smaller sample moreover demonstrates a slightly more cautious but overall positive shift from the lower turnover brackets to medium-level turnover brackets (see Figure 4): those earning below £5,000 dropped from 27% to 23% (though, at the bottom, the proportion without earnings from their activity did not shift); while those earning between £5,000 and £10,999 increased by 2%. While those earning between £11,000 and £29,999 again dropped by 4%, the proportion of all those earning £30,000 or more increased from 18% to 24%. However, it should be noted that these proportional changes are slight, making it difficult to draw any firm conclusions from them.

Figure 4 Turnover pre- and post-participation in LCN (2023)

	Turnover pre-participation	Turnover post-participation
£0	4%	4%
£1 - £4,999	23%	19%

£5,000 - £10,999	15%	17%
£11,000 - £29,999	39%	35%
£30,000 - £49,999	10%	15%
£50,000 - £74,999	4%	5%
£75,000 - £99,999	3%	2%
£100,000 - £199,999	1%	2%

Source: Participant profiles across the phases (2023), n=289

Lending further credence to this overall positive picture from a programme-wide perspective, over half of respondents across all phases (64%, n=392) felt upon completion that taking part in LCN had a positive impact on their turnover. This should be considered as a strong success, particularly when considering that only 1% of respondents overall reported a negative impact and 8% that they did not know, suggesting overall benefits to the programme for participants.

Moreover, it is worth noting that it is to be expected that it will take a while for changes in business approaches and product innovation to reflect positively in financial figures, making the already present improvements to turnover post-participation highly encouraging. Reflecting this, participants' positive outlook extended to their future prognosis of their businesses' turnover: overall, half of respondents (50%, n=386) expected their turnover to be higher in the year of programme completion compared with the previous year, whilst around a third (31%) expected their turnover to remain the same. Only 9% overall expected to see a reduction in turnover, with the remainder uncertain.

In terms of the breakdown between core income (income from the business core activity), complementary income (income related to the business activity) and supplementary income (income unrelated to the business), proportions however barely changed pre- and post-intervention. Based on available information (considerably fewer participants provided this information post-intervention), the proportion of core income was 46% pre-intervention and 47% post-intervention, and the proportion of supplementary income 33% pre-intervention and 32% post-intervention. This indicates that businesses continue to supplement the income from their creative business at a steady level.

4.6 Profit

Overall, 72% of participants reported that their business was making a profit at the end of the course, with 26% having a profit of £11,000 or more. However, the data did not indicate any particular changes pre- and post-participation.

While the proportion of those making any profit rose slightly from the beginning of the course (when 70% reported this), the proportion of those with a profit of £11,000 or more slightly reduced from 28% at the time that the course began. The proportion of those with a deficit sank from 25% to 21% pre- and post-participation. However, the changes in proportion are again too small to provide any real picture of change in profit.

Nevertheless, as with turnover, 64% of respondents again reported that participation in LCN had some level of positive impact on their profit, with 14% describing a large positive impact (n=392). One explanation for this discrepancy between provided profit figures and feedback on impact on profit may lie in the lack of robust comparative profit data pre- and post-intervention. However, another explanation may lie in considering the more positive impact on turnover seen above, coupled with participants' statements of working on the development of new products or services (see above). While difficult to verify, it may be that profit has seen less of an increase, as income is being ploughed into the development of new products or services, which will require more lead-in time before viably resulting in stronger financial impact.

Considering this, the data may suggest that businesses' sense of a positive impact on profit is of a more future-looking kind, with changes to business management and planning as well as product and service innovation leading to better financial performance in the longer run – as already suggested by registered improvements in turnover:

“ The programme has been really wonderful helping me think about my practice as a proper business and how to make more money. Having people's input and feedback about my work during a difficult time was also invaluable. (participant)

Lastly, within the context of this picture of impact on business finances, it is also important to highlight the variety of external factors that may impact on a businesses' income and profit, many of which – such as the Covid pandemic and cost of living crisis - lie outside the scope of LCN's impact. As one participant pointed out:

“ The program hasn't impacted my income. A lot of the issues around income are beyond the scope of LCN (pandemic, precarity of arts workers etc) but it did help with my confidence and planning... (participant)

4.7 Sustainability

The programme asked participants to state how much they would need to earn from their business to make it their only source of income. This gave us an understanding of the perceived sustainability levels for the sector.

On average, participants stated that they would need to make a £22,00 profit per annum (rounded) to no longer need to supplement their income, however for some respondents this amount was significantly higher, rising to £48,000 per annum discounting outliers. Mid-term, achieving this level of income – and, by extension, business sustainability – is important for a large majority of respondents. 76% consider it important or very important to achieve this within five years, including 48% who considered it as very important (n=383). In contrast, however, profit information provided post-intervention shows that 74% had a profit of below £11,000. Whilst not directly comparable, this suggests that for most, the aspired-for profit of £22,000 continues to be considerably out of reach.

Moreover, while we saw a positive and encouraging uplift in average turnover from £18,600 to £22,000, a £3,400 increase (18%) - a significant improvement for in particular sole trader beneficiaries - this nevertheless arguably remains low for sustainability in London.

Reflecting this, the average score from participants in their confidence in their ability to earn their desired level of living through their business / practice was

only 5.5 out of 10 (n=142), whilst data also pointed to ongoing high proportions of supplementary income as reported above. Taken together, this suggests ongoing challenges – and concerns – about making businesses sustainable.

However, there may be some positive signs in the high development of new products and services reported, with almost 20% reporting that these are already providing income, possibly reflected in the noted increases in turnover. Perhaps indicative of this, participants were generally more positive about the future of their business, and feedback shows that participants believed that LCN made a lasting impact on their business or practice (78% gave this statement a ranking of 7 or more out of 10, with 47% giving it a ranking of 9 or 10, n=136). Three quarters of respondents (76%, n=393) furthermore reported a positive impact in their ability to develop new ways of earning a living through participation in LCN.

“ I am more informed and think more professionally, with more confidence about my ability to grow my business and form networks. (participant)

4.8 Employment

Of 971 respondents, 89.4% started the programme as sole traders, with a further 9.4% owners of a small or medium size enterprise, 1% (10) acting as partners in a limited liability partnership or limited partnership and 0.2% (2) owners or directors of a CIC company (n=971). Of 992 respondents, 3% reported having a full- or part-time partner prior to the programme and likewise, 3% reported employing full- or part-time staff.

Data post-participation shows that this picture did not significantly change, with only 2% of respondents reporting having a (full- or part-time) partner and likewise 2% reporting employing staff (full time or part time) on a PAYE basis.

However, more respondents reported occasionally employing to support in their business through other sources. Prior to participation, of the 992 respondents, 36% reported relying on freelancers and/or paid interns and/or unpaid work experience, with 26% reporting engaging freelancers, 4% reporting engaging

paid interns or apprentices and 6% reporting engaging via unpaid work experience. Following participation, these figures slightly sank, with 20% of the 992 reporting on engaging freelancers and/or paid interns and/or unpaid work experience (including 15% who reported engaging freelancers, 2% who reported engaging paid interns or apprentices and 3% who reported engaging via unpaid work experience). Despite this apparent drop, 36% of respondents reported that as a result of the programme, they were more likely to outsource part of the production of their work, suggesting that the use of freelancers is the preferred route to growth in developing creative businesses (n=392).

Considerable data gaps make it difficult to draw firm conclusions both with regard to overall employment levels as well as to whether this pattern hints at a picture of reduced occasional employment following participation, or whether this is a result rather of a reduction in response rates. It is impossible to verify whether all the respondents who did not report data for these questions indeed do not occasionally employ, or simply left the response field blank – this means that figures in reality may be higher.

Nevertheless, the overall picture shows one of an ongoing predominance of sole traders working on their own, with occasional support from freelancers, apprentices and interns.



5. LCN's economic impact on London

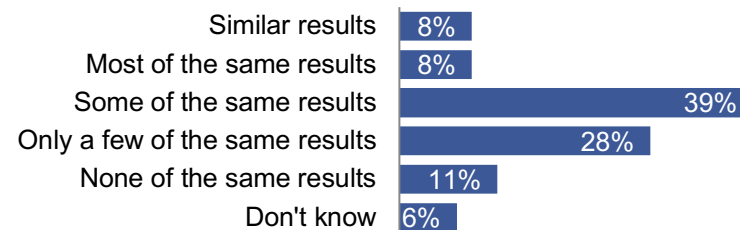
5.1 Additionality

To understand the impact of the LCN programme as a whole, it is important to unpack the extent to which the programme activity has led to the identified changes. When asked whether they would have achieved the same results without the LCN programme (see Figure 5), 78% reported some level of impact from the programme: 11% reported that they would have achieved none of the same results and a further 28% that they would have achieved only few of the same results. The largest proportion at 39% felt that they would have achieved some of the same results. By comparison, only 8% felt that they would have achieved similar or most of the same results, with a further 6% not knowing. Whilst this suggests that not all changes can be attributed directly or only to participation in LCN, this nevertheless confirms that for the majority of participants, a proportion of experienced change is down to the programme.

Importantly, the programme also had an impact in the speed at which participants experienced changes. 75% of respondents (n=383) felt they were able to achieve their results faster because of taking part in the LCN programme, making it an accelerator for participants and by extension for the creative sector in London.

This further suggests that the programme has been responsible for some of the changes that are apparent in the financial data. In Appendix 2, the proportion of impact is explored and evidenced further.

Figure 5 Without LCN, do you think that you would have achieved...



Source: programme feedback data, 2023 (n=382)

5.2 Net turnover and GVA

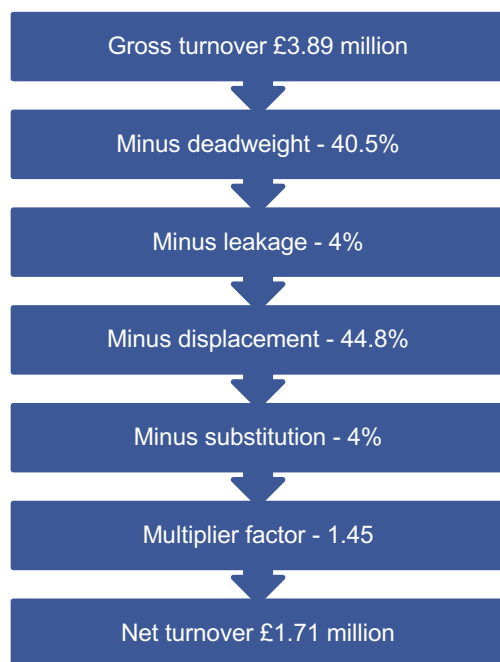
The full details of the economic impact assessment can be found in Appendix 2. The key findings from this show that through the programme there has been:

- Gross turnover uplift of £3.89 million
- Net turnover uplift (once accounting for the additionality factors) of £1.71 million (see Figure 6).
- This translates to a net annual GVA uplift of £1,06 million

In considering the translation from gross to net turnover, it is important to bear in mind the relatively high displacement that needed to be factored in – i.e., the extent to which the expected increase in turnover of the participant businesses comes at the expense of other businesses in the sector (in London). This results from a high proportion of participating firms' competitors being based in London.

Moreover, it is important to bear in mind that LCN focused on providing support (and targeting its funding) where it was needed the most – building capability and resilience - rather than where it would result in the highest GVA returns. Funding was targeted at the 'micro level', with the overwhelming majority of participants being small traders, meaning that GVA will overall be relatively low.

Figure 6 Gross to net calculation



Source: BOP analysis (2023)

5.3 Value for Money

Across the programme as a whole, it has cost an average of £4,629 to support each enterprise fully engaging with the programme (C1 & C4, at least 12hrs of support received, see Figure 7).

The value for money can also be measured through the cost-benefit ratio, which links the public funding for the programme (from ERDF) to the net GVA. The overall budget for the programme was £4,528, with 50% each (£2,264) from ERDF and match funding. As seen above, the net annual GVA uplift achieved was £1,06 million. When comparing the annual net GVA with the public sector

investment, the GVA-to-cost figure is 0.47. This means that for each pound spent, the return to the economy is 47p in GVA each year.

During the completion surveys, participants were asked whether the programme has made a valuable and lasting impact on their business/practice. The average score among respondents was high: 7.7 out of 10. Assuming on this basis that the benefits from engaging with LCN will last for between two and four years, the Net GVA to cost ratio would be 0.9 to 1.9, making a medium Net GVA-to-cost ratio of 1.4. This suggests a return of £1.40 in GVA for every £1 of public money invested; i.e. benefits above costs, meaning a positive value for money ratio within a four-year period; this is despite the fact that the financial impact data suggests that the programme is yet to translate into a strong financial impact.

Figure 7 Value for money calculations (2023)

	TOTAL
Total number of enterprises with (C1 & C4)	978
Programme Spend (projected for final claim)	£4,527,443
Cost per enterprise supported	£4,629

Source: BOP analysis of programme management information (2023)

Introducing the participants: Oluwatosin Daniju

Oluwatosin Daniju is an artist who has utilised photography and moving image since 2008 to delve into concepts relating to identity, home, loss, and belonging. Through her artistic expression, she aims to evoke emotions and deeper contemplation within the viewer.

As a member of Photofusion, Oluwatosin first became involved with LCN when she was invited to take part in a filmmaking course by the arts organisation. More recently, she joined the advance photography course, following a recommendation from a tutor.



Image courtesy, Oluwatosin Daniju

Although Oluwatosin was not initially interested in filmmaking, she was open to explore new opportunities and believed that the programme would enable her to expand her creativity. She also recognised that despite a postgraduate degree in Documentary Photography and Photojournalism, she lacked formal training in the technical aspects of photography and was eager to delve into the processes associated with analogue photography.

“ I was particularly keen to learn more about the processes linked to film photography and developing the ability to independently produce physical prints.

Across the two courses, Oluwatosin participated in a range of classes. The filmmaking course covered the intricacies of film-making, including editing, image and audio mixing, camera usage, and engaging with people to create a visual narrative before participants were encouraged to produce their own short films.

Oluwatosin found the advanced photography course to be a **highly informative and practical experience**. She was able to **acquire valuable**

skills and knowledge regarding the use of analogue cameras, as well as processing and printing techniques for photographs. Additionally, she gained insights into various lighting techniques, including those used in studio and location settings.

Oluwatosin suggested incorporating a greater variety of guest speakers as a means of enriching the courses and benefiting students seeking to learn specific aspects of photography. Nonetheless, she expressed a **strong appreciation for the support she received from her tutors** throughout the course. Oluwatosin found them to be highly approachable, responsive, and consistently providing insightful direction, which contributed to her overall learning experience.

“ I think the teaching in all aspects is amazing. The best part is, you're learning and improving while there's guidance along the way.

Oluwatosin has gained knowledge and confidence through the program, resulting in her developing a greater sense of technical proficiency. This has allowed her to consider new career possibilities, such as opening a print shop. She is currently working on a photo book and feels that the course has provided valuable support and advice, making it easier for her to approach the project with clarity.

While she plans to continue using digital photography, she is also drawn to the unique qualities of analogue photography, which offers more room for experimentation and imperfection. Oluwatosin believes that the impact of the courses will be long-lasting and is open to exploring new opportunities in the field, such as broadening her expertise in filmmaking. Furthermore, she commends the programme's inclusivity, which she feels is particularly beneficial for individuals who may be marginalised in the industry.

“ London Creative Network is very accessible and gives already marginalised people a boost in the creative world.



6. Participants' reflections on programme delivery

LCN provided a tailored programme for creative micro-businesses, whose unique nature was understood and valued by the participants. We have already seen that the vast majority of participants completed the three-hour output, with many then going on to achieve at least 12 hours of participation. On average, participants attended 25 hours of activities on the programme. This alone is already a testament to the value participants saw in the programme.

When asked to reflect on the programme delivery, respondents were moreover generally very positive about their experiences and the achievements of the programme (Figure 8 overleaf). A majority of respondents (79%, n=380) felt both that the objectives set at the start of the programme were met, and that they achieved their results faster as a result of being on the programme (75%, n=383).

Furthermore highlighting the unique value of the programme, a third of respondents thought that they would have achieved either none of the same or only a few of the same results if they had not been able to participate, while only 4% of respondents felt that they could have accessed a similar programme elsewhere (n=386). In comparison, 48% felt that nothing of the same level and quality of support is offered by another organisation. It is worth noting that with regard to the latter question, slightly less than a third of respondents (26%) answered that they didn't know, suggesting that general levels of awareness about these types of programmes are in some cases low.

Participants were also asked to respond to a range of statements about their experience of LCN, answering on a scale of 1 to 10 (see Figure 7). Responses highlighted high satisfaction in terms of the programme addressing participants' expectations and needs; allowing participants to engage and make the most of participation; and a sense of the programme achieving lasting impact (as also referenced in section 3 on sustainability). In a strong reflection of participant satisfaction, the majority of participants moreover confirmed that they would recommend the programme to others in their industry. Here, the average score

for recommending LCN was 8.7, with almost two thirds of participants (65%) giving a rating of 9 or 10 out of 10.

Given the programme's ambition to support participants from a diverse background, it is worth noting that participants from BAME backgrounds overall registered even more positive responses, highlighting the programme's ability not only to recruit, but to positively engage BAME participants throughout the programme. Participants with a BAME background were more likely to believe that the programme made a valuable lasting impact on their business/practice (50% giving a rating of 9 or 10 out of 10 vs 43% average), and fewer thought that similar programmes were available to them (2.7% versus 4%). They were also considerably more likely to recommend the programme compared to participants overall, with 79% giving a rating of 9 or 10 out of 10.

In considering these figures, it is worth noting that Phase 3 across the board achieved slightly lower scores than previous phases – in many cases, based on qualitative commentary, as a result of inescapable Covid-related issues such as a reduction in face-to-face workshops and opportunities, which participants recognised as being outside of delivery partners' control. While no longer relevant in Phase 4, again, such lower scores achieved by delivery during the pandemic continue to influence the overall figures and should therefore be borne in mind.

Figure 8 Results for “Please rate the following statements on a scale of 1 – 10”, overall programme (2023)

Statement	Average score	% rating 7 or higher	% rating 9 or 10
The programme met my expectations	7.8	78%	40%
The programme was tailored to my needs	7.3	70%	35%
I felt engaged with the programme	7.8	79%	47%
I made the most out of the programme	7.5	74%	36%
The programme has made a valuable and lasting impact on my business / practice	7.7	78%	43%
I would recommend this programme to other business / practitioners in my industry	8.7	86%	65%

Source: Phase 1-4 Feedback surveys (n=136)



7. Conclusion and recommendations

Overall, LCN was very successful in supporting the development of the small businesses – predominantly sole traders – who participated in the programme. Across the seven years of delivery, LCN largely achieved its output and engagement targets; testament to the success of the partnership's management structure, which dedicated clear resources and responsibilities for performance. Inevitably, the pandemic impacted in particular on the delivery and results of Phase 3, thereby impacting the overall results; however, this is to be expected, and the results show that by and large, the programme was able to continue strongly. Not least, this is reflected in the fact that LCN was able to gain a fourth and final round of support to continue its activity following the end of Phase 3.

Fall-out from the programme was minimal, with the majority of participants completing at least three hours of participation and many going on to complete more than 12 hours. This, as much as the respondent feedback, is testament to the value that participants saw in taking part and as such provides a highly positive review of the programme. Importantly, this included strong success both in recruiting and engaging diverse participants throughout the programme – reflected both in the number of participants who were female, disabled or of BAME background, and the strong positive feedback received from BAME participants. Moreover, LCN provided this support to creative SMEs who believe that very few similar opportunities for support exist elsewhere.

And indeed, LCN achieved strong outcomes in supporting participants in gaining new technical skills and tools, business acumen (in terms of both planning and management), networks and confidence to develop and grow their businesses. Highly positively, moreover, the programme as a consequence was able to encourage and support participants in gaining the ability and confidence to innovate in terms of creative direction, new products and services. All of these factors are crucial in helping participants to develop and build their creative SMEs in the long run and as such, **the programme has supported**

achieving lasting impact on the sector, at a scale not seen before in London.

The financial impact of the programme was at the time of research shortly after the programme ended still more nuanced. A number of very encouraging signs were present: participants felt more confident about managing the financial side of their business, average gross turnover noticeably increased, with some participants already realising sales from new products and services and half of respondents reporting a positive future turnover prognosis. On the other hand, this had not yet translated into a clear impact on profit and income diversification, with participants reporting ongoing worries about financial sustainability. In considering this, it is crucial to consider a number of factors. Firstly, it is evident that financial impact will take longer to manifest itself clearly: changes in skill, planning, products etc. take a while before they translate into financial impact, and at such it is to be expected that they are unlikely to already be fully captured by research at this point. Secondly, a variety of external factors impact on a business's income and profit, many of which lie outside the scope of LCN's impact – with two huge factors, the Covid pandemic and cost of living crisis, both hitting during the delivery period.

Given this, it is impossible to paint a certain picture of financial growth among participants going forwards. However, crucially at this point, the **increased skills, confidence, business acumen and innovation capability reported by participants are all important vehicles to achieving improved financial sustainability in the longer term** and thus encouraging signs that the programme may have a stronger financial impact in the longer term. And this is visible already in the development of new products and services and indeed the deriving of income from these specifically and the increased turnover reported more generally.

The programme is now coming to an end, with limited understanding as yet as to what may be able to happen next in terms of programme provision. Nevertheless, it is useful to highlight some key recommendations for any future programmes that may take place.

Above all, feedback highlights the value that people see in face-to-face meetings with both fellow participants and mentors. This suggests that:

- Providing **increased one-to-one mentoring support for participants** on these types of programmes can add value to participants, creating an increased sense of meeting participants' needs and responding to the specific support needs that they may have. From a practical perspective, having a **clear booking system** for mentoring sessions will also help participants to access this support.
- Alongside this, the notion of a **peer network** was highly valued by participants; however, the sense of feeling connected to a network came through less strongly and some feedback was provided which suggests participants would have liked to have seen more cross-connections made between participants. It may thus be worth considering how this could be supported by **connecting the participants** of any future programme themselves more strongly, for example via a joint communication platform (such as what's app) or a **buddy system** matching alumni or participants with a similar profile. This could also act as a less formalised one-to-one support mechanism, and, depending on the alumni chosen, may work well as a mentoring opportunity for new participants –with perhaps stronger potential than a formal mentor to last beyond the programme itself.
- Similarly, there could be opportunities to **create wider peer networks** that link alumni across the phases, building on the strength of the existing peer networks that have emerged from each phase and giving more opportunities for alumni and any future participants to widen their networks and connections.

A number of participants commented on the lack of oversight at the start of the programme as to what sessions would be happening when, instead needing to sign up on an ad-hoc basis. This points to:

- The importance of a **clear programme structure from the outset**, to help ensure programmes can meet expectations and, for optional modules, participants are best placed to pick the modules that most meet their needs.
- The importance of **allowing for advance planning** as opposed to scheduling sessions at short notice.

Financial support was a recurring issue, both in terms of the actual finances needed to run their businesses, and also in terms of developing an understanding of how to manage finances and plan accordingly. This suggests that:

- In **particular, increased levels of commercial business skills training** could help to improve these outcomes for participants and support their longer-term sustainability.

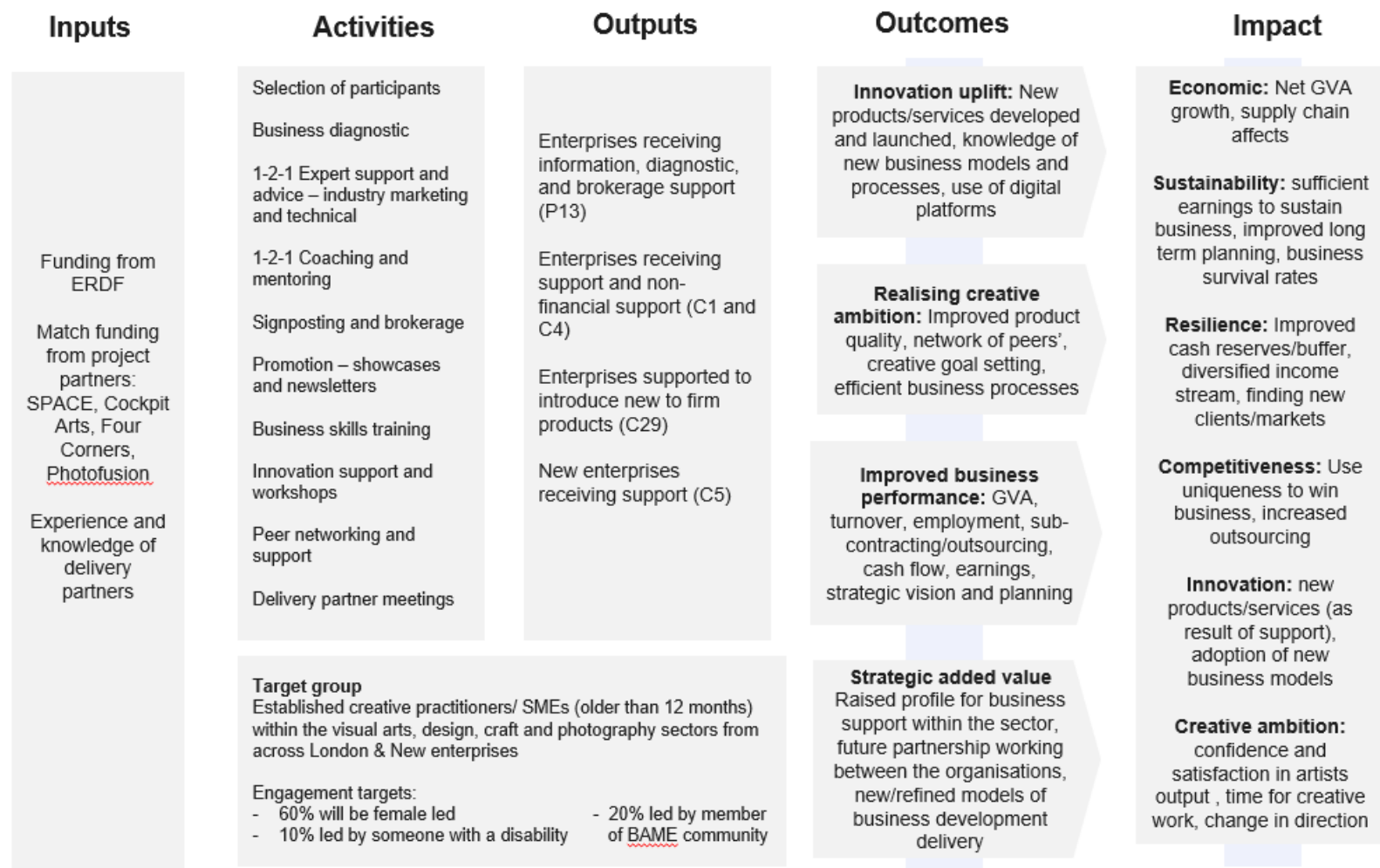
Lastly, some comments suggested that participants like the idea of a **varied programme that provides different ways of learning** and engaging. This included:

- Offering a wide variety of guest speakers for participants
- Interspersing formal learning with more practical approaches to learning, which could for example include 'study/ site visits', placements/ internships or set projects. However, given the considerable effort required to provide such an offer, this would need to be considered carefully alongside a more formal learning offer.
- Providing a mix of larger sessions for subjects with a wide applicability, coupled with smaller sessions with a focus on particular businesses or sub-sectors.



8. Appendix 1: Logic model

Figure 9 Logic model



9. Appendix 2: Detailed Economic Impact Assessment

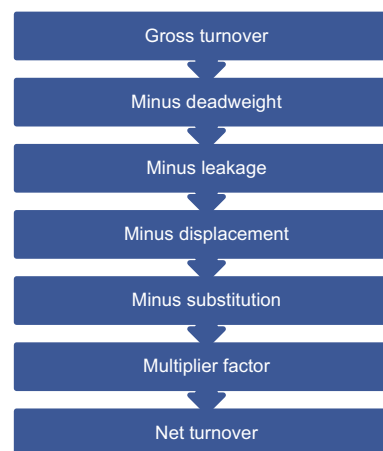
Conversion from gross to net turnover

There are several considerations that need to be made when converting the gross turnover increase figures reported into net impacts on the London economy:

- **Deadweight:** proportion of benefits that would have happened without the intervention in question
- **Geographical leakage:** the proportion of outcomes that have benefited those outside the target geography. All the participants were located in London on enrolment of the programme
- **Displacement and Substitution:** does the growth in participants' turnover come at the expense of other businesses in London? If so, then once again a proportion of the gross economic impact needs to be taken off, since it is cancelled out when looking at the impact on the creative industries as a whole.
- **Would the benefits of the LCN support have been provided (affordably) by other organisations anyway?** If so, we need to take off some of the gross economic impact of the business support since some of it would have happened in any case (and it therefore not additional)
- **Multiplier:** The multiplier describes how the impact of the uplift in turnover leads to further economic activity associated with additional income of those employed by the project (income multipliers) and local supplier purchases (supplier multipliers).

The gross economic impact describes the impact without accounting for deadweight, leakage, displacement, substitution and the multiplier; applying these factors derives net turnover.

Figure 10 Gross to net process



Source: BOP analysis

Figure 11 Gross turnover

	Before LCN	After LCN	Difference
Gross turnover for 312 participants with pre- and post-completion data	£5.5 million	£6.4 million	£0.9 million
Average per participant	£18,600	£22,000	£3,400
For all 1,145 participants	£21.3 million	£25.2 million	£3.89 million

Source: BOP analysis

Based on the information from 312 participants for whom we have pre- and post-intervention completion data, and using this to extrapolate across all participants, the total uplift in annual turnover was £3.89 million.

Deadweight: To assess deadweight, we considered the response to the question asking respondents about what would have happened in the absence of the LCN programme (Figure 12).

Figure 12 Without the LCN programme do you think you would have achieved....

	Percentage (n=382)	Deadweight	Percentage multiplied by deadweight factor
Similar results	8%	100%	8%
Most of the same results	8%	75%	6%
Some of the same results	39%	50%	19.5%
Only a few of the same results	28%	25%	7%
None of the same results	11%	0%	0%
Don't know	6%	0%	0%
			40.5%

Source: BOP Consulting (2023)

Leakage: All participants were located in London at the start of the programme and only 4% of 220 responding participants had moved outside of London at the end of the programme.

Displacement: To assess the extent to which the expected increase in turnover of the participant businesses comes at the expense of other businesses in the

sector (in London), we ask how much of this competition comes from London-based artists (Figure 13).

Figure 13 What proportion of your competitors are based in London?

	Percentage (n=214)	Displacement factor	Percentage multiplied by displacement factor
All	3%	100%	3%
Most	43%	70%	30%
Some	39%	30%	11.7%
Few	1%	0%	0%
Don't know	12%	0%	0%
			44.8%

Source: BOP Consulting (2023)

Substitution: Only 4% respondents indicated there was a comparable programme out there (Figure 14). Due to the low margins these creative practitioners are on and the qualitative evidence, we assume that the cost of the programme would be a barrier to receiving support. Similarly, we assume that the non-discipline specific nature and geographical distance of similar programmes would be a barrier. Hence a very low rate of substitution.

Figure 14 Do you think you could have accessed the same level of support?

	Percentage (n=386)	Substitution factor	Percentage multiplied by substitution factor
No, nothing offers me the same	48%	0%	0%
Yes, but nothing near me	1%	0%	0%
Yes, but nothing for free	17%	0%	0%
Yes, but not specific for my discipline	4%	0%	0%
Yes, similar programmes out there	4%	100%	4%
Don't know	26%	0%	0%
Total			4%

Source: BOP Consulting (2022) (n=384)

Multiplier: We use a proxy multiplier of 1.45 to reflect the income and output multipliers for the supply chain¹².

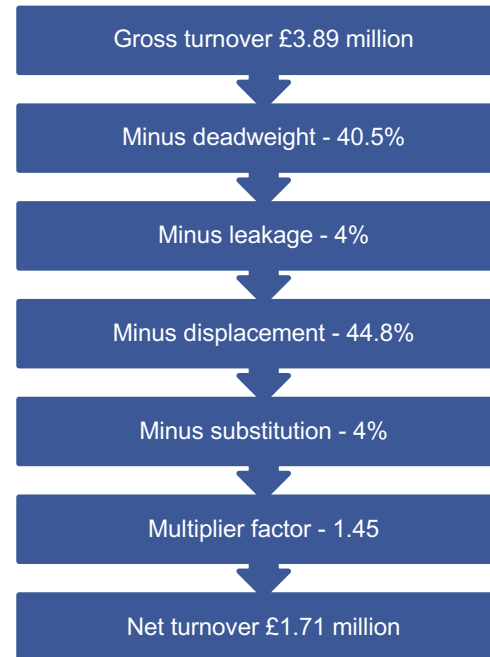
¹²

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Gross to net turnover

Accounting for all the additionality factors set out here, the data indicates a **net annual turnover uplift of 1.71 million** (Figure 15).

Figure 15 Gross to net calculations



As the below table shows, the additionality factors identified here are largely in line with average additionality factors identified in BIS (2009)¹³. Displacement is on the high side due to high proportion of participating firms' competitors being based in London.

¹³ BIS (2009) *Occasional Paper 1: Research to improve the assessment of additionality*

Figure 16 Comparison with standard additionality factors

	Lower range	Upper range	Mean	LCN
Deadweight	0%	98%	43%	40.5%
Displacement	0%	100%	30%	44.8%
Leakage	0%	87%	11%	4%
Substitution	0%	88%	3%	4%

Source: BIS (2009) and BOP (2023)

Conversion from turnover to GVA

To assess the value of participants' extra turnover to the economy, and how it compares with the public investment in LCN, we convert turnover to Gross Value Added.¹⁴ This is calculated using figures from the Office of National Statistics (ONS). For the 'Creative, Arts and Entertainment' sector in London, the latest ONS estimates (2018), it is estimated that every £1,000 of turnover creates £620 of GVA¹⁵. This calculation tells us that net annual GVA comes to £1,06m.

Figure 17 Gross and net GVA

	Annual turnover	Annual GVA
Gross	£3.89 million	£2.41 million
Net	£1.71 million	£1,06 million

Source: BOP analysis (2023)

¹⁴ GVA is a measure of the value of goods and services produced, rather than simply the money flowing through a business as turnover

¹⁵ source: Annual Business Survey, Release May 2018

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