



CREATE Business Plan – DRAFT November 2011

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Introduction

CREATE supports, produces and presents creative projects that foster social engagement and new artistic experiences in east London. CREATE delivers an annual summer programme of activity whilst working year-round to ensure the arts are embedded into the long term, legacy plans for east London.

CREATE is rooted in the London boroughs of Barking & Dagenham, Greenwich, Hackney, Newham, Tower Hamlets, and Waltham Forest. CREATE has been running for four years and in that time has already developed a significant reputation as one of London's most exciting and ground-breaking programmes. CREATE11 attracted audiences of over 1m with over 50,000 local people actively participating in events through volunteering, mentoring, training for young people, workshops, family activities and competitions. CREATE11 represents an arts programme valued at just over £2m and between 2009 and 2011 the CREATE team have levered in over £1.5m to present new work, alongside supporting participation programmes and successful press, PR and marketing campaigns.¹

The mission of CREATE can be summarised as intrinsically linking three key goals:

1. Increasing levels of cultural engagement in east London
2. Supporting creative practice and the arts in east London
3. Linking this to the wider social and economic regeneration programme of the sub-region

We will do this by

- Commissioning high quality, high profile and ground breaking projects which involve leading local artists and creative organisations
- Involving local people in all aspects of the programme, from participating in creative activity, to skills development, volunteering and employment opportunities
- Promoting east London as a unique cultural destination and linking the programme to the future of the Olympic Park in Legacy

Increasing levels of cultural engagement in east London

CREATE is about getting more local people to take part in high quality creative activity, with the vision of being a world leader in the field of socially engaged, world-class creative practice. Cultural participation rates in the Host Boroughs are significantly lower in comparison with the rest of London despite the density of professional artists and creative businesses in the area.² CREATE commissions and supports high quality creative projects which, as with the hugely successful CREATE Art Award, involve and inspire local people.

¹ Taken from CREATE10 Festival Report. See www.createlondon.org/aboutus for full report.

² Taken from Host Boroughs Cultural Strategy Paper, April 2010 'A cultural future: planning the cultural legacy of the Olympics for the five hosting boroughs'

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Designed to build towards, and capitalise on, the extraordinary Olympic moment, the programme aims to turn the enthusiasm generated by the Games into sustained cultural engagement for local people. Over the next five years CREATE will use the springboard of the Olympics to inspire local residents to get involved in arts and culture.

Supporting creative practice and the arts in east London

Alongside the focus on participation, CREATE works to support and sustain the cultural and creative industries in the Host Boroughs. CREATE's summer programme spearheads a campaign to put east and southeast London on the cultural tourism map through working in partnership with the best of the local creative and artistic community to deliver extraordinary, engaging and eye-catching new commissions and projects. CREATE promotes east London as a world class visitor destination, bringing more visitors to galleries, theatres and other local businesses – supporting the sector and linking culture and creativity to the economic regeneration of the sub-region.

The Host Boroughs are home to Europe's largest cultural quarter with over 12,000 of artists and some of the UK's and the world's leading creative producers. We support the arts sector by sourcing locally - commissioning local artists and working in partnership with local arts and creative businesses to develop new projects. CREATE is unique in being able to develop a programme of exceptional quality which is drawn entirely from the local creative community. Turner Prize winners and Brit Award and MOBO nominees live and work in the East End, alongside a growing number of leading creative industry companies, designers, new media pundits, journalists and writers – a growing number of which are already CREATE partners.

In 2013 CREATE will have been working with the Host Boroughs for five years, brokering partnerships with all the key cultural organisations in London and working with all the major promoters, artists and producers and all the major arts and cultural organisations in the sub region, and regional and national agencies..

This partnership is a now a critical strategic grouping for culture in the sub-region and the benefits of the partnership are extending beyond the delivery of the Festival. CREATE is a central part of the London 2012 cultural programme and has now been identified as a key part of its legacy.

Legacy Objectives

The following objectives were agreed in February 2011 by the Olympic Park Regeneration Steering Group, which includes the Mayor of London and the Mayors and Leaders of the Host Boroughs. These will be pared down to create a workable mission statement for the limited company and charity.

1. A legacy of increased cultural participation available to all local residents. Sustained opportunities for people of all ages to take part in high quality

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cultural activity that directly contributes to the social and economic objectives of 'Convergence' and sets about improving the quality of life for all residents.

2. To raise levels of cultural participation in east and south east London to those of the other 27 London boroughs, and to focus particularly on communities within the Host Boroughs where levels of cultural participation are significantly low.
3. A legacy for skills, employment and enterprise in the cultural and creative industries for young people living in the Host Boroughs. A sustained and coordinated approach to creating new pathways into employment and entrepreneurship in these industries across our communities.
4. A strong cultural legacy for the Olympic Park. Both in terms of high quality and large scale events that will attract significant numbers of new visitors to the area and events that knit the many communities found across the boroughs into the park. Forming an economic relationship between the artists and the creative industries from across the Host Boroughs and the wider opportunities for job creation and business development.
5. A world class festival for the arts, CREATE, that continues to grow post 2012 in a sustainable way that attracts London-wide, national and international investment. A legacy that brings new visitors to the area and benefits the local economy, engages and connects with local communities and supports the development of local and regional, cultural institutions and businesses. Importantly, CREATE is a new model for partnership working for the creative and cultural sector in east and southeast London who are working together for the first time to deliver shared objectives. Additionally, the festival brings national institutions and their creative resources to east and southeast London combining investment into the arts both from the public and private sectors adding value to the Host Boroughs' cultural landscape.
6. To sustain the growth, and strengthen the position, of the Host Boroughs' cultural and creative industry sectors, ensuring that the Prime Minister's and the Mayor of London's aspirations for an east London technology city corridor are supported and delivered.

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Development Goals 2011-2015

Opportunities

The next four years contain exceptional opportunities for CREATE and for the sub-region:

- The Cultural Olympiad will gather momentum in the run up to the Games. In 2012 much of this opportunity will centre on the areas defined as the Host Boroughs. CREATE will benefit from the added exposure of being an integral part of the Cultural Olympiad, an £80m national arts programme, and the added scale and ambition of events taking place in 2012.
- 2012 will focus a unique spotlight on east London and thus CREATE has the chance to help establish the area as a significant cultural destination for London, UK-Wide and International visitors.
- The Host Boroughs are leading a twenty-year regeneration programme aimed at addressing the historic social and economic disadvantages that are found across these boroughs. 2012 is the catalyst for much of this regeneration initiative, which is focussed on the principle of Convergence. Convergence is a multi-faceted package of interventions covering areas such as quality of life, work, skills, learning, health and infrastructure. Within this brief, CREATE is placed to deliver a significant contribution to the Convergence programme.
- There is an increasing focus on addressing the inequalities in cultural participation and cultural provision across London – from the boroughs, the Arts Council, the Mayor’s Office and other key agencies. In part this means addressing the marked low levels of engagement in culture within the boroughs. CREATE will provide a coordinated and impactful solution to increasing cultural participation across the boroughs.

Aims, objectives and their key measures 2011 – 2015

- **Deliver an inspiring and ground breaking annual, summer programme that involves more local people year-on-year, establishing east and southeast London as a premier cultural tourism destination.**
 - CREATE will sustain and grow the number of visitors to the festival from 822,000 in 2009, to 1.3 million in 2015.
 - CREATE will continue to grow the commissioning portfolio of the festival and raise new funds for ground-breaking, nationally significant new work as part of the programme.

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- **Establish significant opportunities for local people to participate in different kinds of cultural activity**
 - There will be a 5% year-on-year rise in local participation in the CREATE festival from approximately 40,000 participants in 2009.
 - New commissions will focus on participatory, inclusive and inspiring events and programmes.
 - Through CREATE Jobs, we will provide internships and gateway placements for young people within the creative and hospitality industries.

- **Establish a high profile and respected platform for local artists, creative businesses and producers**
 - There will be a 5% year-on-year rise in the number of local artists and creative businesses involved in the festival.

- **Delivery partners for the Host City celebrations in 2012**
 - Delivery of artistic programme as part of Festival 2012 and the Cultural Olympiad and working with LOCOG, GLA, ACE and OPLC to ensure involvement in all core arts activities.
 - CREATE is a key player in terms the success of the cultural offer for London 2012.

- **Begin to establish the Olympic Park as a place where high profile participatory cultural events take place thereby helping to integrate the park into the community**
 - CREATE will work to secure a formal role in the cultural programming of the Olympic park in legacy.

- **Work in partnership to get more young people from the local boroughs involved in culture and the creative industries**
 - CREATE will work in partnership to ensure all partner organisations participate in new joint initiatives to provide young people with training and work experience in the sector.
 - The expansion of CREATE Jobs will be central to the delivery of new opportunities for local young people to find work in the sector. CREATE jobs will aim to give 1000 new opportunities for local young people every year from 2012. These opportunities for local young people include: Creative Careers fairs at the Barbican; mentoring by industry professionals; work placements in creative businesses; paid internships and apprenticeships.

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Financial Strategy

Financial Forecasts are attached at Appendix A1.

Core business activity over the next three years:

- Work with arts organisations, the boroughs and agencies alongside local and national cultural bodies to encourage them to deliver work to be part of CREATE (paid for by, or in partnership with, those organisations). To shape this work (the in-kind contribution section in the table above) within the context of the festival, especially in terms of participation and involving leading, local artists and creative companies.
- To deliver a programme of new commissions for the core of those for which CREATE specifically fundraises, including London 2012 projects. These will be both stand-alone commissions, and co-commissions with our partners. All commissions will be 'locally sourced' and will involve the engagement of local people in origination or delivery.
- To retain and develop a sub-regional strategic role. Supporting the boroughs, sub-regional and national agencies with their policies and programmes in terms of cultural development, advocating for the creative sector and working in the development of the Olympic Park.

Financial priorities for CREATE over the next three years

This strategy acknowledges that there will be increasing pressure on public finances from 2010 and therefore as far as possible the organisation needs to diversify its funding portfolio and to be income generating. In order to meet our key aims of to growing audience figures and participation opportunities, CREATE is looking to expand its earned income in order to generate more world class events and programmes alongside a suitably enhanced marketing vehicle. Priorities include:

- Securing a core team with increased capacity to secure the future development of the programme.
- Maximising opportunities as part of the Cultural Olympiad and the Olympics to deliver specific commissions in 2011 and 2012 and working in partnership with the Olympic Park Legacy Company.
- Attracting significant private sector sponsorship for the core operation, particular commissions and events. CREATE has been successful in attracting private sponsorship from the corporate sector. We need to monopolise on such

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success and look to other private markets e.g. retail or social media which meet with the CREATE brand and audience.

- Develop a revenue generating arm linked to new projects such as ticket sales fees for festival events and merchandise.
- Embedding relationships with the Arts Council and becoming a National Portfolio Organisation in 2014.
- Forging new strategic relationships including those with GLA and London & Partners.

Future Organisational Development and New Governance Arrangements

The development of CREATE into a new company limited by guarantee and as a registered charity limited by guarantee, will be a key development focus during 2012.

A refined organisational structure will enable CREATE to perform a number of different functions and will help CREATE to lever in new, additional funds to sustain and increase activity.

The Trustees of the new entity will be appointed under charity commission guidelines to represent the range of skills and expertise necessary for the proper running of the charitable organisation. Directors will be required to bring significant time and energy to the development of CREATE.

Organisational Arrangements

For the first year of trading, at least, it is proposed that the East London Business Alliance will provide operational and administrative support for the new company.

This will include the delivery of the following functions:

- Payroll and HR
- Financial reporting, book keeping and banking
- Legal support
- Office Administrative Support
- Capacity building re governance
- Fundraising
- Strategic support

The London Borough of Hackney have agreed to continue to support the CREATE team during the transitional period in 2012/13.

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Staff Structure

A small, executive team who will fulfil the day-to-day management of company operations and project delivery will have the ability to employ temporary staff as needed on a project-by-project basis, which will keep both costs and risks down. It is recommended that core company staff currently contracted by LB Hackney (namely Hadrian Garrard)are transferred to the new company for the duration of their current employment contract. Agency staff can be terminated by the LB Hackney and engaged afresh by the company. These staff will continue to function as the executive team for the CREATE project.

However, there is a need for a larger core team to carry out the basic functions of the company and it is recommended that the following staff structure for permanent staff - with *indicative* salaries (including on-costs), is established as soon as possible in 2012.

Director/CEO	£68k
Producer	£48k
General Manager (to recruit)	£35k
Marketing and Communications Manager	£30k
Administrator – (to recruit)	£18k

Other staff will be recruited on a project-by-project basis for the first few years of trading.

We forecast to continue to outsource the management of our marketing, design and PR campaigns to external agencies and work with ELBA on delivering our fundraising goals. All staff are required to fundraise as a core part of their roles, as is currently the case.

It is our intention to develop a commercial arm to generate revenue, to develop an e-commerce strategy and to generate income via ticket sales revenue, festival merchandise and media content sales and licensing. These ambitions represent our long term aims and over the next four years we will invest in research and development into the establishment of these aims, with the longer term ambition of establishing new posts to lead on commercial enterprise.

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Appendix A 1 (Forecasts)

Year	2012/13	2013/14	2014/15
Income			
6HB Core Contribution	150,000	150,000	150,000
Public Funding	332,000	200,000	200,000
Sponsorship & Private Funding	413,000	385,000	515,000
LOCOG/London 2012	10,000	0	0
OPLC	50,000	100,000	200,000
Trusts and Foundations	25,000	100,000	150,000
Donations /Individual Giving	0	50,000	50,000
Box Office/Gross Earned income	95,000	125,000	150,000
TOTAL INCOME	£1,075,000	£1,110,000	£1,415,000

Expenditure			
Core Staff	204,000	254,000	284,000
Temporary Staff	24,800	24,800	24,800
Premises & Overheads	41,000	41,000	41,000
Organisational Change Management	5,000	0	0
Irrecoverable V.A.T	64,500	66,600	84,900
Marketing, PR, Audience Development	269,500	250,000	250,000
Artistic Commissions & Productions	409,000	400,000	575,000
Partnership & Stakeholder Development	4,000	4,000	4,000
Creative Learning, Skills & Employment	45,000	60,000	75,000
TOTAL EXPENDITURE	£1,066,800	£1,100,400	£1,338,700

Surplus/Deficit for the year	£8,200	£9,600	£76,300
Add previous year balance	£115,000	£123,200	£132,800
Surplus/Deficit at year end	£123,200	£132,800	£209,100

In-kind contribution from sector partners and boroughs, including funding on joint projects.	£3,000,000	£1,100,000	£1,100,000
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Note: Figures at December 2011, excluding any future pay and price increases.

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Detailed Forecasts

YEAR	2012/13	2013/14	2014/15
	£	£	£
INCOME			
6HB Core Contribution	150,000	150,000	150,000
<i>Each borough makes a contribution of £25k</i>			
Public Funding	332,000	200,000	200,000
Arts Council	166,000	150,000	150,000
GLA	151,000	50,000	50,000
Other Public Funding (Misc)	15,000	0	0
Sponsorship & Private Funding	413,000	385,000	515,000
Main Festival Sponsor (Deutsche Bank)	175,000	175,000	175,000
Festival Sponsor (Canary Wharf Group)	100,000	100,000	100,000
2012 Project sponsor (Co-operative Events)	33,000	0	0
Art Award sponsor (Bank of America Merrill Lynch)	80,000	80,000	80,000
ELBA	0	0	0
Festival Sponsor 1	0	0	75,000
Festival Sponsor 2	0	0	50,000
Festival Drinks / Beverages Sponsor	10,000	10,000	15,000
Festival Sponsor 3	15,000	20,000	20,000
LOCOG	10,000	0	0
OPLC	50,000	100,000	200,000
Trusts and Foundations	25,000	100,000	150,000
Donations/Individual Giving	0	50,000	50,000
Box Office/Gross Earned income	95,000	125,000	150,000
TOTAL INCOME	1,075,000	1,110,000	1,415,000
EXPENDITURE			
Core Staff (inc on-costs)	204,000	254,000	284,000
Director	66,000	66,000	66,000
Producer	50,000	50,000	50,000
General Manager	35,000	35,000	35,000
Head of Development	0	50,000	50,000
Development Assistant	0	0	30,000
Administrator	18,000	18,000	18,000
Marketing/Comms Manager	30,000	30,000	30,000
Core Staff Expenses	5,000	5,000	5,000
Temporary Staff	24,800	24,800	24,800
Consultants	10,000	10,000	10,000
ELBA Consultant (HD)	4,800	4,800	4,800
Public Realm Arts Consultants	0	0	0
General Temp Staff	10,000	10,000	10,000
Premises & Overheads	41,000	41,000	41,000
Rent	10,000	10,000	10,000

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HR, Payroll, Legal, IT, Accountancy support	12,000	12,000	12,000
Telephone	3,000	3,000	3,000
IT hardware & software	10,000	10,000	10,000
Other	6,000	6,000	6,000
Organisational Change Management	5,000	0	0
Irrecoverable V.A.T	64,500	66,600	84,900
Marketing, PR, Audience Development	269,500	250,000	250,000
Evaluation and Monitoring (Audiences London)	7,500	6,000	6,000
Core Marketing - Design, Content Management, Digital, Print	115,000	115,000	115,000
Frieze Projects East Marketing	13,000	0	0
Advertising/Media Buying	25,000	25,000	25,000
Media Partnership	20,000	20,000	20,000
Print Distribution	30,000	25,000	25,000
Couriers	2,000	2,000	2,000
Main Launch	10,000	10,000	10,000
Other Launches	5,000	5,000	5,000
Box Office Costs	5,000	5,000	5,000
PR Agency	35,000	35,000	35,000
Hospitality	2,000	2,000	2,000
Artistic Commissions & Productions	409,000	400,000	575,000
CREATE Art Award	50,000	50,000	50,000
Restaurants in Residence / Food Commission	55,000	55,000	75,000
CREATE House	0	0	0
Urban Classic / Music Commission Project	33,000	50,000	75,000
Walks and Talks	15,000	15,000	15,000
YMBBT / Performance Commission Project	0	50,000	70,000
Frieze Projects East / Public Realm Commission Project	0	0	0
Something & Son / Green Commission Project	100,000	0	0
Duckie / Performance Commission Project	25,000	25,000	25,000
Assemble / Public Realm Commission Project	51,000	0	0
First Thursdays / East London Galleries Commission	10,000	10,000	10,000
TRSE 2012 Commission / Partner Co Commissions	10,000	10,000	10,000
GDIF / Partner Co Commissions	10,000	10,000	10,000
Document / Film Commissions	25,000	25,000	25,000
Souvenirs / Product Design Commissions	25,000	25,000	30,000
OPLC Projects	0	75,000	180,000
Partnership & Stakeholder Development	4,000	4,000	4,000
Creative Learning, Skills & Employment	45,000	60,000	75,000
TOTAL EXPENDITURE	1,066,800	1,100,400	1,338,700
SURPLUS/DEFICIT FOR THE YEAR	8,200	9,600	76,300
ADD PREVIOUS YEAR BALANCE	115,000	123,200	132,800
SURPLUS/DEFICIT AT YEAR END	123,200	132,800	209,100
In-kind contribution from sector partners and boroughs, including funding on joint projects.	3,000,000	1,100,000	1,100,000