BECAUSE THE NIGHT

Why what happens after dark matters to the creative industries
The creative industries in the UK are booming, and the country is benefiting from their success:

The creative industries are at the heart of social, economic and cultural regeneration, providing jobs and driving growth in communities throughout the UK.

They are worth £87.4bn in GVA to the UK’s economy and have been growing faster than any other sector since 2008.

On average one in 11 working people now work in the creative economy. In cities this number is particularly high, rising to one in six in London.

In other metropolitan areas across the country, we also see high concentrations of creative employment – 6% in Brighton, 5.7% in Oxford and 7.8% in Peterborough.

Even in places not traditionally associated with the creative industries, including Luton, Leamington Spa and Harrogate, 3 to 4% now work in the sector.

The creative industries has been named one of the five key sectors to receive an early sector deal in the government’s industrial strategy green paper.

But this success is at risk because the night-time economy is under threat:

The UK’s night-time economy – nightclubs, live music venues, theatres, pubs and bars – is vital to enabling the creative industries to thrive.

Statistics from 2015 showed the number of UK nightclubs almost halved in a decade – from 3,144 in 2005 to just 1,733.

From 2007 – 2015, London lost 35% of its grassroots music venues – a decline from 144 spaces to 96. This has reduced the opportunities for new and emerging artists to reach an audience.

50% of venues in Bristol said they have been threatened by development, noise or planning issues.

High-profile venues around the country that have closed in recent years include: the Arches in Glasgow, the Roadhouse in Manchester, the Point and the Barfly in Cardiff, the Picture House in Edinburgh, the Astoria, the Joiners’ Arms and Madame Jojo’s in London. Many have cited the reasons for their closure as tough licensing laws, complaints from neighbours, development and increased property values.
This matters to the broader creative economy:

Performance venues are an intrinsic part of the UK's cultural ecosystem while restaurants, clubs, pubs and bars complement and support the night-time economy and are an important part of the going-out experience.

As a whole, the night-time economy contributes to the physical infrastructure of the broader British creative scene, offers opportunities to showcase and develop talent, grows audiences and fosters local creative networks. For many creative businesses, the night-time economy is important in attracting and retaining staff who want to live and work in vibrant towns and cities. This is particularly important for the creative industries because businesses tend to cluster in specific areas – as shown by research conducted by innovation charity Nesta.

This means that a thriving night-time economy should be considered by local authorities, city authorities and even national government as part of the infrastructure that supports the sector – alongside, for example, access to workspace, broadband and investment in the public arts.

For the first time this document brings together stakeholders from across the creative industries - from Shakespeare’s Globe, to Reggae City in Birmingham, from independent radio production companies to the London Design Biennale - to highlight the ways in which a vibrant and stable night-time economy underpin the success of creative hubs all over the UK.
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Clubs, bars, pubs and music venues across the UK are not just places for a good time but are hubs of creativity, drawing people together from across generations and demographics to enjoy, celebrate and participate in live performance and art. Such places are also centres for emerging talent, spaces where entrepreneurialism can thrive and vehicles for cultural renewal.

Alongside this cultural vibrancy, the night-time economy brings with it significant economic gains. It is estimated to be worth £66bn a year to the UK economy and employs 1.3m people. It has also played a huge part in enabling the success of the UK’s creative industries, which have been growing faster than any other sector since 2008 – growth that has been keenly felt by towns and cities throughout the UK.

But the night-time economy faces major threats, which risks undermining this success. The number of nightclubs has almost halved in the last decade, and many performance venues are under threat of closure.

In this paper, we set out why the night-time economy is important for:

- **The growth of the UK’s creative industries**
- **Finding audiences: international, national and local**
- **Generating a local creative network**
- **Attracting talent to towns and cities**
- **Developing skills**
- **Providing infrastructure.**

We conclude with recommendations for national and local government that we believe will unlock cultural, social and economic benefits for towns and cities everywhere.
Why are night-time venues closing?

There is no single factor behind the level of closure of night-time businesses around the UK.

Venues have often been indirectly hurt by the squeeze on local authority and policing budgets. In England, (where cuts were greater than Wales or Scotland\textsuperscript{10}), local authority budgets have fallen in real terms by 20% from 2009/10–2015/16.\textsuperscript{11} In this same period we estimate cuts of 16.1% in real terms to police authority budgets (including metropolitan police and City of London police).\textsuperscript{12} Other factors include rising rents in city centres and the cumulative impact of tougher licensing laws.

The night-time economy - from pubs and bars to music venues – needs support and understanding from local, national and city governments to survive, as well as from planning departments, developers and police forces.

The needs of the night-time economy must also be balanced with those of residents and other local businesses, who sometimes struggle with issues such as noise. The responsibility for dealing with noise complaints has historically rested with the venues – regardless of whether the venue was in operation first.

It is easy to see why it is sometimes easier and cheaper to close venues than deal with, for example, issues of noise and policing. But we believe that local authorities who fail to support their night-time performance venues, as well as pubs, bars and clubs, might be inadvertently inhibiting local creative business growth.

The current shift to a system where local authorities in England and Scotland can retain business rates (and so benefit from growing businesses in their area) creates a more direct link between the success of the local economy and the public services local authorities will be able to afford to fund. It is, therefore, even more important that local authorities understand the benefits and requirements of the night-time economy and its role within the wider creative economy. Similarly, city and national governments wanting to grow the creative sector further should consider the long-term benefits of having strong creative industries and vibrant social areas when making short-term decisions on the night-time economy.

The growth of the UK’s creative industries

Night-time performance venues, grassroots music venues and nightclubs are a part of the creative ecosystem, hiring and showcasing emerging talent that feeds into the rest of the sector. The broader night-time economy – including pubs, bars and restaurants – are important in providing creative communities with space to network and thrive.

For those parts of the industry that operate around the clock, it is important that infrastructure supports 24-hour businesses and those that they contract with and employ – whether that is through working public transport links or late-night shopping hours.

It is for these reasons that creative businesses and their employees require access to a local night-time economy. As the quotes from
business leaders in this document show, the expectation is that there will be access to good and reliable infrastructure, alongside exciting local pubs, clubs and music venues in an area where creative businesses are based. If such an ecosystem no longer exists, the businesses are likely to relocate and local jobs will be lost.

**Put simply, if councils are looking to gain from growing clusters of creative businesses they must consider how short term decisions about the night-time economy might impact growth.**

The fight to save the popular night-time venue ‘Fabric’ in Farringdon, London included an understanding of its importance to the surrounding area, as an incubator for emerging musical talent, as a part of the cultural history of the Smithfields site, and for its role in attracting some of the 767,000 overseas music tourists into the UK.13

“Our plans are coming together as we work towards opening a brand new museum for London in West Smithfield in 2022. This is our once-in-a-lifetime opportunity to re-cast our relationship with London and Londoners and, as part of that, we’re thinking about our offer 24 hours a day. Smithfield is a place that never sleeps. And this is why we’re so pleased, and proud, to have neighbours like Fabric on our doorstep – making the place so vibrant, so exciting and so unexpected. We were shocked when Fabric briefly closed and then elated when it opened its doors again. London would be a poorer place without it.”

Antony Robbins, director of communications, Museum of London

Late opening, working hand-in-hand with the local night-time economy, is also part of Tate’s strategy. The success of both London museums has transformed the local areas of Southbank and Millbank, and Tate Liverpool has similarly revolutionised Albert Dock as a centre for culture and heritage in the city.

“Art is part of the fabric of life, and today we live 24-hour lives. Tate Britain and Tate Modern are part of the night-time economy: evening opening hours, specific events like Late at Tate and the bar and restaurant at the new Tate Modern all mean that we offer the experience of art in new circumstances and to more people. More generally, creative towns and cities depend on their nightlife – think The Colony Room or the bars and pubs around any art school – the evenings are when people come together, groups form and ideas are born. They are the key to attracting creative people to cities in the first place.”

Kerstin Mogull, managing director, Tate

Whilst the Museum of London and Tate are internationally renowned, the night-time economy can also be local and organic, and events can become part of a more local cultural calendar.

“Kambe always aims to have a positive impact through events, but our city-based festivals and events provide an unrivalled opportunity to inspire and connect communities. Events such as Reggae City and Swingamajig in Birmingham have successfully engaged incredibly diverse demographics in a safe cultural space. I love seeing 60-year-olds dancing to dubstep, while teenagers are freaking out at a lindy hop dance!”

Jon Walsh, director, Kambe, an events company based in Birmingham
Finding audiences: international, national and local

One reason night-time venues are such an important part of the local cultural ecosystem is that nightclubs, night-time performance venues and grassroot music venues help to attract domestic and international visitors, who are also a key market for other parts of the sector.

- There were an estimated 10.4 million music tourists to the UK in 2015.\(^{14}\)
- Music tourism generated almost £1bn for the London economy in 2015.\(^{15}\)
- In north-west England, the metropolitan centres of Liverpool, Blackpool and Manchester received 1.2 million music tourists who spent a total of £232m in the region.\(^{16}\)
- Glasgow, a city fast becoming known for its high standard of club programming and the DJs that it attracts,\(^{17}\) welcomed just under 500,000 music tourists in 2015, sustaining 1,141 full-time jobs.\(^{18}\)

And the benefits go far further than the music industry: visitors who visit a city to go to one venue are likely to go to other cultural attractions too. For example, 63% of under-25s who visit the capital go to four or more attractions.\(^{19}\)

Attracting out-of-town visitors is a hugely important part of the success of Shakespeare’s Globe, while international auction house Sotheby’s is a global hub for the commercial art world.

“As an auction house, we are an unexpected part of London’s night-time economy. Our most important auctions are held in the evening and the private views beforehand are an important part of the sales process – as well as being social occasions in their own right, of course. However, not enough people know that Sotheby’s galleries are open to the public, so as often as possible we try to open our doors in the evening to welcome new visitors into the building. Most recently, we stayed open for a full 24 hours to celebrate our exhibition of David Bowie’s personal art collection, and welcomed a record 2,000 visitors in a single night.”

Felix Hale, senior researcher, Sotheby’s

“We’re delighted to continue our long-held tradition of midnight matinees for each of the productions in our upcoming Summer of Love season. Starting at 11.59 pm, these one-off performances under the night sky invariably create an irreverent atmosphere, and actors often say they’re among their favourite and most memorable shows. For those who make it to the end, the Swan restaurant serves a special early breakfast. It’s a unique way to experience Shakespeare, and a vibrant addition to London’s night-time economy.”

Tom Bird, executive producer, Shakespeare’s Globe

For cities looking to open up access and encourage local participation in cultural activities, having the night-time as a backdrop can also help to find new local audiences for cultural activities. Art Night, a new annual contemporary art festival in the capital which includes art, architecture, dance, design and music, found that a main attraction was that it took place at night.\(^{20}\) An evaluation of the event revealed that many of its night-time participants would not usually attend contemporary arts events, seeing them as niche and inaccessible.
Generating a local creative network

It is not just visitors that are looking for a vibrant night-time offering. Many creative businesses choose to base themselves in particular localities because of the venues, bars, pubs and clubs in those places – not only because they know they can then attract and facilitate national and international visitors to the area for a film event, theatrical performance or design festival but also because their employees are looking for a particular community and quality of life after hours.

This is also particularly important for freelancers and entrepreneurs who need these places to forge new networks.

“The creative partnership that founded The Beautiful Meme was forged in Yorkshire pubs. The debates about politics and magic and ideas and weirdness and kerning that feed our work happen in night-lit dens across London. In galleries – famous and pop-up – we find art and culture that sets ridiculously high bars. Almost everyone exciting we’ve ever worked with was met during evening adventures. There’s a reason vampires are the sexiest monsters.”

Tom Sharp, creative director of the brand and advertising agency The Beautiful Meme

“Theatre and the performing arts are a crucial part of the night-time economy across the UK. Theatre contributes to the cultural identity of a place at night, often setting the tone for a location, and in addition often leads the financial health of a locality – both directly and through secondary spend and employment in the hospitality trade. Night after night, incredible work is performed on, off and around stages with major employment throughout the UK in this industry. In London, I am proud to be on the Mayor’s Night Time Commission, an important acknowledgment of the importance of the night time economy to our capital city.”

Julian Bird, chief executive, Society of London Theatre & UK Theatre

“As one of thousands of hermit-like artists working independently in this sprawling, often lonely city, I feel confident in saying that not only do we enjoy aspects of London’s night-time economy – we depend on them. Whether that means meeting and collaborating with other artists and curators at private views during the week, finding a rare moment to get out of the studio and see a late-night museum opening, or simply engaging with one of the other artistic mediums (theatre, music, film, etc), evenings and nights are often the only option. This time is essential both to our way of work, and to our way of life.”

Arthur Laidlaw, a London-based artist
Attracting talent to towns and cities

Creative businesses are found UK-wide and developing an attractive night-time offering has been key to finding and keeping creative talent in many parts of the country.

“Coventry has a huge ambition to become a leading international city of culture. Part of this ambition is to attract international talent and the growth of creative industries in the city. In order to do this, Coventry must develop a lively, attractive cultural offer that will appeal to creatives. In addition to reinventing Coventry’s cultural life, we recognise that to be attractive to creative talent we need a dynamic night-time economy that will attract and keep young creatives. We are supporting a night-time economy drive that celebrates diverse and multi-cultural venues for music, entertainment, eating and socialising as a key way of attracting people to the city. In order to compete with global cities of culture, Coventry needs an exciting, youth-oriented night-life that will give the city the buzz it needs and provide inward talent with the levels of networking and social scene they expect and need.”

Professor Jonothan Neelands, Associate Dean Creativity, Warwick Business School

This is also the case in London, which is home to almost a third of those working in the UK’s creative industries.

“London’s night-time economy is a vibrant meeting place for creatives across different disciplines. In many cases the night-time venues present outlets for creative practices that do not fit institutional frameworks, allowing an alternative scene to the established galleries and museums. Additionally, they often allow younger artists to have a platform to exhibit their work. I believe that the cultural sector and night-time economy in London are co-dependent, and the disappearance of one will harm the other.”

Anna Smirnova, research intern at the Design Museum

Moved from Prague to London four years ago

Image courtesy of Warehouse Project. Photography: Ministry of Sound
Appealing to talented students from around the world is also to the benefit of our capital’s cultural education sector.

“UCL is London’s global university and our location in London, a global and dynamic city is critical to our success. Global means connecting and engaging with the world night and day, and research and learning is now a 24-hour business. Work patterns are changing, staff and students are demanding more flexible, innovative and smarter ways of working. Our libraries now operate 24/7, new modes of research require live data from multiple, global sources and we are introducing agile working models for many staff. We actively support the development of the night-time economy through research that helps us understand how we can make it work and its economic and social value, because we know it is essential to our staff and students and that London’s future as an international city depends on it.”

Simon Cane, director, University College London Culture

“A strong and vibrant night-time economy, and by extension cultural offer, is crucial to LFS continuing to attract teaching talent and students from across the UK and around the world.”

Dan Lawson, head of LFS Open, London Film School
Developing skills

Music venues – including grassroots and nightclubs – provide a pipeline of talent into the creative industries. Research from the Mayor of London’s office shows that on average venues spend some £500,000 on developing and showcasing new and emerging talent. Overall they estimate £44m is invested in new and emerging talent every year.

“A fully-functioning night-time economy is vital to a thriving music sector, one that supports thousands of jobs and provides enormous cultural benefits for communities. Within the rich ecosystem of the live music sector, grassroots venues have a distinctive function as incubators of music talent. They help emerging artists find their feet, develop their craft, build a fan-base and project them on a trajectory that could see them become stars of the future. UK Music and Music Venue Trust will continue the fight to ensure all possible measures are taken to protect these venues so they can continue to act as a pipeline for future generations.”
Jo Dipple, chief executive, UK Music

“The night-time economy – and, in particular, the club scene around the country – is critical in developing diverse new DJ and musical talent for radio – demonstrated by stations like BBC Radio 1Xtra, Kiss and Jazz FM, alongside audio-led independent production companies producing content for these stations.”
Will Jackson, managing director, Radio Independents Group

Providing infrastructure

The infrastructure of the night-time economy is also helpful in a wide range of ways to the successful operation of the creative industries.

“The effective operations of the London Design Biennale are heavily reliant on the night-time economy. The city’s night-time transport and infrastructure are essential to the success of the Biennale’s exhibition installation; logistics companies and art handlers ensure the safe arrival of design installations and art works outside of standard working hours, reducing risks and extending short installation windows. What is more, London Design Biennale would certainly not attract such international talent without London’s world-class cultural economy, particularly its thriving night-time economy. International designers and curators – many of whom are staying in London for the first time – embrace the vibrant cultural backdrop the city has to offer.”
Sir John Sorrell, president, London Design Biennale
Night-time venues are also workspaces for other parts of the sector.

“The night-time economy in the games sector will grow from here on as specialist venues like Loading Bar(s), Meltdown and Heart of Gaming grow more and more popular. Loading Bars are a hub for the successful London games industry, providing many night-time events and co-working space for independent developers, which rely on night-time resources. Developers have moved to London because of these hubs and the flourishing out-of-‘normal’ hours community it champions. Add in the rise of esports, which will deliver truly social interaction, and the already rapid growth will be accelerated.”

Andy Payne, games entrepreneur and chair, British Esports Association

Broadcasting, in particular, is a 24-hour operation. It is important for shift workers to be easily able to travel to and from work outside ‘normal’ office hours, and to be able to access support facilities (such as food and drink) during shifts. Outside London, there can be little around-the-clock public transport even in major cities (e.g. the last tram from MediaCityUK in Salford to Manchester Piccadilly is 23.49 Monday to Thursday) which has implications for staff in terms of transport costs, and may deter new entrants on limited incomes.

Going forward

As the discussion around the night-time economy shifts to one of support, national and local government have made strides in their attitude towards protecting these cultural assets. The Mayor of London has appointed the UK’s first night czar, and allocated funding to support 100 British Transport Police officers to patrol the Night Tube – a marked change from past policy which framed the night-time economy as a drain on resources. In London, this shift in attitude is likely to have contributed to the flatlining of venue closures in 2015–2016, rather than their further decline.

The recent Housing White Paper has also proposed to amend the National Planning Policy Framework in England to ensure that planning policies and decisions take into account existing businesses, such as music venues, when locating new developments. Given that noise complaints as a result of new developments have been raised as a key issue for many nightclubs, pubs and performance venues, this is a welcome move. We encourage similar steps to be taken in national planning frameworks across the devolved nations.

Government must also review how the forthcoming changes to business rates will impact on the night-time economy, as smaller venues, clubs and pubs may be disproportionately affected. A thorough analysis should be undertaken to ensure that this crucial part of our cultural and economic ecosystem is not lost.

The recommendations set out below are suggested next steps at local, city and national levels in shifting rhetoric and protecting venues.
WHAT SHOULD BE DONE

Local government

- Councils in England and Scotland should assess how the power to adjust and retain business rates might help support and facilitate a vibrant night-time economy. They should further consider how supporting their local night-time economy might work to attract creative businesses. Local authorities in England, Scotland and Wales should consider urgent relief on business rates for grassroot music venues.

- Local authorities across the UK should adopt the ‘agent of change’ principle when dealing with noise complaints from music venues and performance spaces. This puts the responsibility in preventing noise disturbance on new developments rather than existing establishments.

- Communities and councils in England should use the right to register locally-valued properties as Assets of Community Value (ACV) as a way of protecting cultural hubs, including music venues and nightclubs.

- Councils across the UK should implement Article 4 Directions (which can stop development by recognising the importance of certain buildings) where there is an evident threat to venues in the night-time economy. Wandsworth Council used this process to recognise the importance of nightlife and protect more than 100 pubs and venues from being closed.

- Local authorities in England and Wales where revenues raised by the late-night levy are minimal should consider not implementing it, especially where this could offer relief for small local businesses. The late-night levy is a discretionary power which enables local authorities to fund policing for the night-time economy through raising a levy on businesses – including music venues, clubs and bars – which supply alcohol during the night.

- Alternatives to policing should be considered as a cost-saving measure in areas where there is a high density of night-time venues. For example, in Amsterdam outdoor squares such as Rembrandtsplein use festival style lighting, encourage cafés to stay open later, and the city authority employs stewards (who can be hired more cheaply than local police) to accommodate a more relaxed atmosphere and a positive attitude to venues staying open later.
City government

- City authorities across the UK should spearhead a city-wide campaign to encourage venues to review their licences. Venues often mistakenly believe that their operations are at risk when renewing. But the renewal of licences sometimes has the benefit of removing restrictions which impede the economic sustainability of venues.

- City authorities in England and Wales should encourage the granting of Temporary Event Notices (TENs) to small venues with a good reputation in the local community, by providing local authorities with supplementary guidance explaining the benefits. A more flexible approach to the granting of TENs may enable such businesses to generate more revenue and grow.

- City authorities across the UK should consider the benefits of clustering creative businesses with night-time industries and introduce incentives to encourage such clustering to take place. Justine Simons, deputy mayor for culture and creative industries in London, has expressed an interest in planning “artist zones” in areas such as Hackney Wick and Peckham and, where appropriate, these areas should include night-time industries with clear links to the creative industries.

- UK city authorities could follow the lead of other cities such as Amsterdam which have allowed the development of 24-hour venues in outlying city areas. These venues act as a cultural hub for the area providing an around-the-clock space for community meetings and cultural activities.

- The Greater London Authority should work as a mediator to ensure parity of policy across boroughs in how the Licensing Act 2003 is interpreted and to encourage links between venues and residents’ committees. This would particularly help small businesses who operate across boroughs – for example, to run touring festivals and events – to understand and work with regulations without incurring additional costs.
National

- The Housing White Paper proposes to amend the National Planning Policy Framework in England to emphasise that planning policies and decisions should take account of existing businesses, including music venues and pubs, to prevent their closure. We welcome this, and urge the Department for Communities and Local Government to ensure that all local planning authorities adopt the ‘agent of change’ principle, and consider noise impacts on potential new residents from existing businesses within the area when planning consents are given. We also encourage future reviews of the planning frameworks in Scotland (2014), Wales (2016) and Northern Ireland (2015) to further incorporate the importance of these businesses.

- The Home Office should collect data on the night-time economy in England and Wales in accordance with existing clusters, rather than by council boundaries, to encourage a more holistic and integrated assessment of policing, licensing and the impact on the community.

- In England and Wales, the Department for Culture, Media and Sport should continue to consider a more relaxed approach to regulating recorded and live music in grassroots venues. The Live Music Act 2012 and subsequent amendments removed the need for a licence in venues with a capacity of up to 500 people playing music until 11pm. However, for many smaller venues, it is necessary for them to stay open later than 11pm in order to make a profit.

- We support UK Music’s call to extend the licence for live music in England and Wales until midnight. A UK Music survey showed that thanks to the greater freedom afforded by the Live Music Act 2012, 17% of venues would consider staging live music for the first time, with a further 24% of venues increasing their provision.


25. Hackney Council have led the way by making the music venue, Passing Clouds, an Asset of Community Value and thus sending a message that the community around a venue is important and should be considered in development plans. The granting of an ACV means any landlord wanting to sell the building must give the community six months to buy it.


30. The ‘agent of change’ principle states that a new development must shoulder responsibility for compliance when situated near an existing music venue.


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