

State of the Nations  
research series

# **CREATIVE CLUSTERS**

## **GEOGRAPHY AND**

## **UNIVERSITY-INDUSTRY**

## **LINKS**

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**Creative Industries  
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Led by  
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with  
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## About the Creative Industries Policy and Evidence Centre

The Creative Industries Policy and Evidence Centre (Creative PEC) works to support the growth of the UK's creative industries through the production of independent and authoritative evidence and policy advice.

Led by Newcastle University, with the Royal Society of Arts and funded by the Arts and Humanities Research Council, Creative PEC comprises a core consortium of Newcastle University, Work Advance, the University of Sussex and the University of Sheffield.

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Creative PEC's State of the Nations research series analyses the latest data across four thematic areas to inform the development of policies relating to the creative industries. Their scope is the whole of the United Kingdom, and wherever possible data is presented for all the nations and regions. Regular reports on each area will be published annually over the five years of the Arts and Humanities Research Council (AHRC) funding. The themes and corresponding Research Partners are:

- R&D, Innovation and Clusters (University of Sussex)
- Internationalisation (Newcastle University)
- Arts, Culture and Heritage Sectors (University of Sheffield)
- Education, Skills and Talent (Work Advance)

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# CREATIVE CLUSTERS GEOGRAPHY AND UNIVERSITY-INDUSTRY LINKS

State of  
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# Foreword

**Previous Creative PEC research has documented the enduring geographical inequalities that characterise the UK's creative industries. These reflect regional differences in the key ingredients that underpin creative industries growth – access to customers and suppliers, skilled talent, ideas, finance and infrastructure. While all of these are shaped by public policy, they also evolve only gradually because they are influenced by the cumulative effects of past decisions. In other words, they are path dependent.**

Because change is often slow, it is important to monitor the geography of the creative industries at regular intervals. This report does so using headline economic outcomes – employment, business counts and gross value added – to provide timely evidence on how the sector's geography is evolving, and how far regional inequalities are persisting or shifting over time.

The findings present a nuanced picture. Over the 2022–2024 period analysed, the evidence does not show a marked narrowing of regional inequalities, but there are encouraging signs of strong employment growth in several major creative clusters outside London and the South East, including Bristol and Manchester.

Over recent years, place-based policies have become an increasingly important feature of support for the UK's creative industries. Particular emphasis has been placed on strengthening creative clusters, including through the Arts and Humanities Research Council's Creative Industries Clusters Programme, which has sought to foster collaboration between universities and businesses to stimulate local innovation and growth.

This report therefore also takes a deeper look at the geography of university–industry collaboration, drawing on data including public investment in research and innovation. While creative businesses are found across the UK, the analysis shows that those collaborating with universities are highly geographically concentrated in London, while rates of collaboration between universities and local firms vary substantially in other parts of the UK. These differences may reflect important variations in the capacity of local institutions and businesses to build productive partnerships, with implications for the effectiveness of place-based innovation policy.

I hope this report provides valuable evidence to inform the work of policymakers, researchers and practitioners seeking to understand and strengthen creative clusters across the UK. Your feedback is welcome!

**Professor Hasan Bakhshi,**  
**Director, Creative PEC**

# Executive summary

It is a firmly established fact that clusters play an outsized role in the geography of the UK's creative sector (Mateos Garcia and Bakhshi, 2016; Mateos Garcia, Klinger and Stathoulopoulos, 2018; Siepel et al., 2020; Tether, 2019). In 2023, we published *The Geographies of Creativity* (Siepel, Ramirez Guerra and Rath, 2023), a State of the Nations report addressing the geography of the creative industries. Since then, there have been many significant policy changes leveraging the role of place in fostering innovation and growth.

Historically, the most widely used list of creative clusters across the UK is the list of fifty-five regions identified by the Department for Culture, Media and Sport (DCMS) (Frontier Economics, 2022), although an altogether different means of identifying creative clusters has more recently been published as part of the Department for Science, Innovation and Technology's (DSIT) innovation mapping exercise (2025), which captures proximity of Research and Development (R&D) and innovation active firms, based on multiple indicators. As the evidence base for identifying and understanding creative clusters continues to evolve, so does the policy and governance context within which these places are supported, creating new opportunities to align cluster identification with devolved approaches to local economic development.

This is shown through the expansion of Mayoral Strategic Authorities (MSAs) in England, alongside wider plans to reorganise local governments across the UK and an emerging potential to increase powers for devolved nations. These policy developments are a sign of a significant phase in the government's devolution agenda, which may open further opportunities to support creative clusters and place-based growth. For example, new MSAs will

receive devolved powers and funding to support local growth, including creative growth initiatives such as Great North Creative. Wider local government reorganisation is also reshaping local governance in parts of England, and may influence how local economic development and creative industries strategies are delivered.

The devolution shift in England is one of several policies that will provide opportunities for the UK's creative clusters. The new UK Industrial Strategy introduced in 2025 highlighted the creative industries as one of the eight priority sectors. The UK government's Creative Industries Sector Plan, published in the wake of the Industrial Strategy, set forth a long-term vision to drive growth in the creative sectors, with particular emphasis on place-based approaches. If the Sector Plan's ambitions are to be achieved, the UK's creative clusters will play a vital role. Other new policy initiatives, such as the UK Research and Innovation (UKRI) R&D Strategy for the Creative and Cultural Economy (UKRI, 2026), have also put place-based initiatives at their centre, the Creative Industries Clusters Programme (CICP) being an example of this approach. These initiatives seek to bring together higher education institutions and businesses to drive local cluster innovation and growth.

These initiatives aiming to support local growth make it increasingly imperative that timely, high-quality data is available to inform decision-making. This report therefore aims to meet this need, by updating some of the analysis from previous work on creative clusters (Mateos Garcia and Bakhshi, 2016; Mateos Garcia et al., 2018; Siepel, Ramirez Guerra and Rathi, 2023) and incorporating more granular data on employment, business counts and estimated gross value added (GVA) for the UK's fifty-five creative clusters. Specifically, the report has two main aims. First, it provides updated estimates on the spatial distribution of creative industries activity at the regional and cluster level. Second, given that the Sector Plan highlights the role of innovation in driving local growth and the role of universities in driving this innovation, it presents evidence about the distribution and nature of policy interventions targeting universities. In this

way, it extends previous evidence about the geographical distribution of public innovation funding for businesses (Siepel, 2025).

The report carries out the first part of the analysis using Office for National Statistics (ONS) data on rates of creative industries employment, business employment and GVA. It examines clusters at the Travel to Work Area (TTWA) level, using the DCMS definition of fifty-five creative clusters (Frontier Economics, 2022). An approach focusing on TTWAs and ONS data has certain limitations, which we discuss, but allows comparability with previous analysis. For the second part of the analysis, we use data from the Higher Education Statistics Agency's (HESA) Spin-out Register and the DSIT Gateway to Research+ (GtR+) dataset, which includes all public funding for research and innovation for businesses and universities.

## Summary of findings

Our analysis confirms that total employment levels in the creative industries remained stable from 2022 to 2024 after more than a decade of steady growth, consistent with the DCMS Economic Estimates. There is evidence that the UK's longstanding regional inequalities in creative industries employment (Gardiner and Sunley, 2020; Siepel, Ramirez Guerra and Rath, 2023; Tether, 2019) persist but are also evolving. We find that the gap between London and the South East and the rest of the UK appears to have narrowed slightly, but this may reflect post-Covid 19 trends linked to working from home and challenges in measuring activity. Regional gaps between London and the South East and the rest of the UK remain persistent across GVA and business-level employment. While economic activity remains concentrated, we speculate that home and hybrid working is now being reflected in these figures and discuss how this may impact the geography of the creative industries. Although the overall employment and GVA levels do not indicate a significant narrowing of regional inequality, analysis of employment in the UK's creative clusters highlights strong employment growth in major UK cities outside London and the South East, including Bristol and Manchester, and growth across many parts of the South West of England. Our analysis also reveals that outside the fifty-five creative clusters identified by DCMS, there has also been high growth in creative industries employment in the East Midlands.

We also compare the DCMS list of fifty-five creative clusters with the DSIT list of twenty-eight 'innovation clusters' in the creative industries and find a 67% overlap between these at the TTWA level. This highlights

the differences between different ways of identifying clusters, with the DCMS clusters being based on a multidimensional framework that includes employment and other factors (as seen in Frontier Economics, 2022) and the DSIT clusters being based on the geographical proximity of innovation active firms, based on a range of measures including receipt of innovation support, R&D activity, and university collaboration (DSIT, 2025).

Universities can play a central role in supporting, growing and sustaining clusters. The report presents additional insights into links between universities and businesses. Beyond the contribution of graduates, other forms of university-industry interactions, such as spinouts, research collaborations and other engagement, can help to support business and support local growth. Recent research (Bakhshi et al., 2026) has highlighted that creative industries represent a lower share of university spinouts than other Industrial Strategy sectors like Life Sciences. We find that 87% of active creative industries spinouts are in IT, Software and Computer Services. While the vast majority of these (83%) are in creative clusters, only half of creative spinouts are headquartered in the same area as the university from which they spin out.

Research projects involving businesses and universities can be an important way of sharing knowledge and supporting innovation. We highlight how creative clusters vary by the number of and share of creative sub-sectors benefitting from participation in UKRI research council-funded research projects with universities. The rates at which universities collaborate with local creative industry

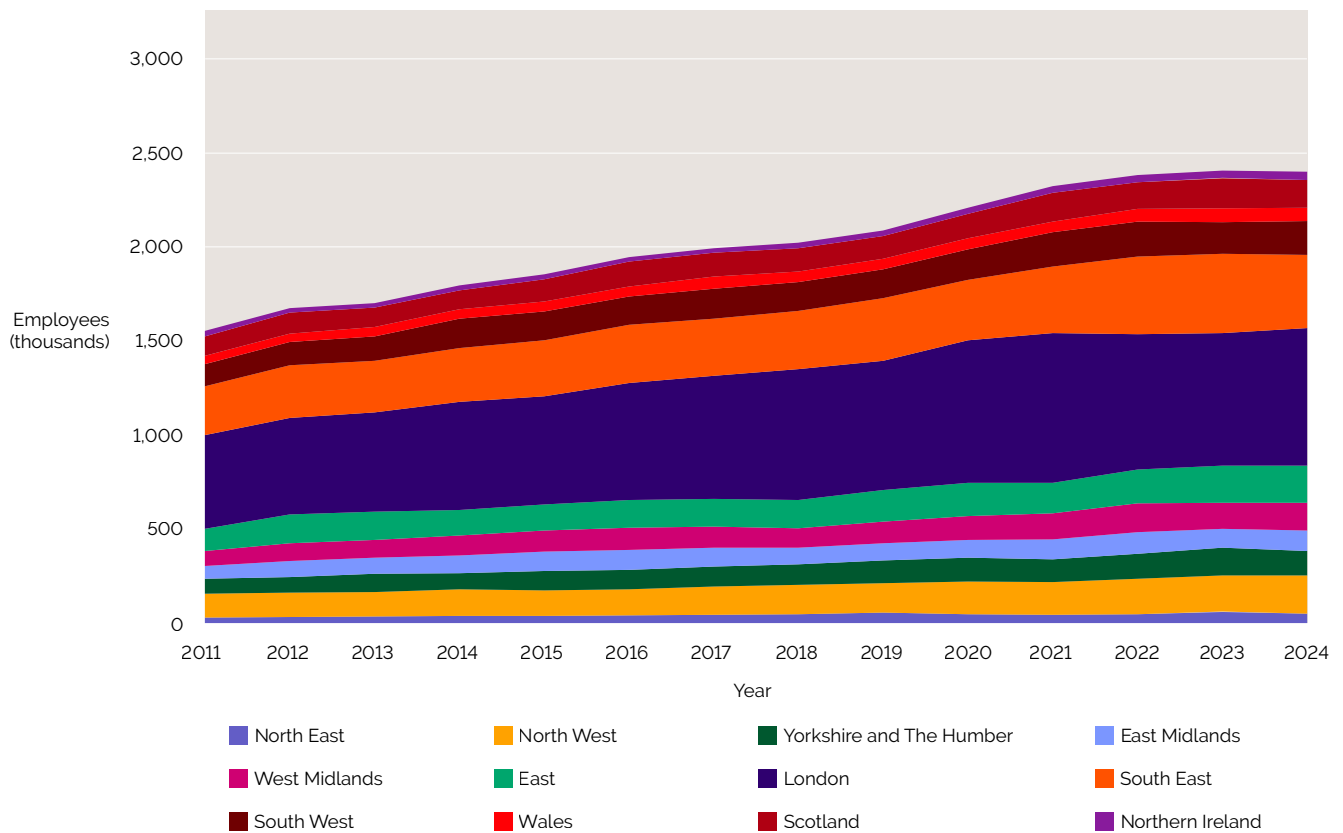
businesses vary significantly across a range of potential interventions, including spinouts, research grants and other engagement mechanisms such as Knowledge Transfer Partnerships (KTPs). This points to the wide range of modes and approaches universities can use to successfully engage with and support creative industries. In order to illustrate how this can work, we use data from the first wave of the AHRC CICP. We highlight the substantial variation between the forms of R&D

intervention used in the nine clusters. Each cluster was given the freedom to identify the needs of local businesses and workers in the sectors they were targeting, and the analysis highlights how the clusters used that freedom to produce a range of models for intervention. The flexible approaches employed by these programmes show how a suite of interventions can help to build universities' capacity and support innovation in creative businesses.

## Policy considerations

- The UK's regional inequalities in creative industries employment appear to persist, but the growth is particularly strong in larger cities and outside London and the South East. Devolution across the UK presents new opportunities to support creative sectors. New initiatives in England (e.g., MSAs), Scotland (the review of and new commitments for Creative Scotland) and Northern Ireland (through City and Growth Deals) highlight the potential for place-based solutions. In England, the expansion of MSAs provides new opportunities for place-based economic development, while wider reforms to local government may also influence how local creative industries strategies are developed and delivered. High growth among some of the existing combined authorities highlights an opportunity for the UK's new MSAs in England by providing an important means of support for regional policymakers and the unitary authorities involved. The implementation of the Creative Industries Sector Plan provides an opportunity for central government departments and bodies to boost this local growth across the UK.
- Universities have a key role to play in supporting clusters innovation beyond that provided by their usual education and training function. Our analysis suggests that this may require coordinated action across multiple forms of university-industry engagement. Such coordination requires capabilities for leveraging universities' strengths and identifying ways to meet local demands. Using analysis from the first AHRC CICP, we show how bespoke interventions drew on different clusters' innovation and sectoral needs. We highlight the importance of learning from best practice across clusters to ensure that local- and sector-specific issues are addressed by cluster support interventions.

Figure E1: Employment levels in the creative industries by region, 2011–2024



Source: Authors' elaboration based on DCMS Employment Statistics (DCMS, 2025)

Figure E2: Local economic growth in the creative industries, 2022–2024

**From 2022 to 2024, net creative industry jobs increased** in Northern Ireland, Scotland, Wales and five of the nine English regions.

Twenty-nine of the fifty-four DCMS creative clusters for which there is data have seen **net increases in creative industry jobs from 2022 to 2024**, and thirty-four show a net increase since 2019.

**Twelve clusters saw creative industries employment growth higher than 10% from 2022 to 2024**; of these, six were in the South West and three were in the East of England.

The creative industries **share of total employment in the UK rose to 7.1% in 2022** and has remained consistent since then.

Source: Authors' elaboration from Nomis data

# 1 Introduction

The creative industries are a major growth sector for the UK economy, with GVA growth increasing by 35.4% from 2010 to 2023, much higher than the rest of the UK economy (DCMS, 2025). Recent years have seen several major policy developments to support the creative industries, with place and clusters at the centre of many of these initiatives. This means that good evidence around the geography of creative clusters remains more important than ever.

Since the publication of *The Geographies of Creativity* in 2023 (Siepel, Ramirez Guerra and Rath, 2023), Creative PEC has highlighted the importance of promoting inclusive growth in creative clusters (Carey et al., 2024); new ways of improving economic statistics (Lyons and Connolly, 2024); and high-growth potential firms and their geographies (Bakhshi et al., 2026). New mapping tools from DSIT (2025) and Arts Council England (2025), among others, have also become available.

The policy landscape for the cluster and place-based agenda has also shifted substantially. As part of its devolution agenda, the UK Government is expanding the number of MSAs across England, alongside wider reorganisation of local government. These are distinct but related changes: through devolution agreements, MSAs and Metro Mayors receive devolved powers and funding to support local priorities, including greater responsibilities for areas such as economic development, transport, culture and skills. These devolved powers create new opportunities to target support for local industries and creative clusters. For example, funding streams such as the Creative Places Growth Fund will allow MSAs to further support creative businesses, building on and expanding the work of the DCMS Create Growth Programme.

The new UK Industrial Strategy (HM Government, 2025) has also recognised the creative industries as one of eight priority growth sectors for the UK economy. The Creative Industries Sector Plan (DCMS, 2025) highlights the importance of innovation for driving growth, and many of the initiatives discussed in the Plan have a place-based focus. The AHRC CICP has received funding to support new clusters, building on the success of the initial wave of the programme to provide targeted cluster- and sector-level support to build R&D capabilities in local areas. Other interventions such as the Pride in Place fund and UK City and Town of Culture competitions are also building on the role of place-based policymaking. Other interventions seek to build pan-regional linkages through initiatives such as The Great North initiative and One Creative North (Kelly, 2025) across the North of England and the Cardiff Capital Region and West of England Creative Supercluster (Bull et al., 2024), which aim to develop 'creative corridors' (see Hay et al., 2024; Siepel, Ramirez Guerra and Rath, 2023), linking regions to create emergent benefits.

Many of these interventions rely on the engagement and coordination role of universities, either through local R&D activities (as in AHRC CICP) or through research collaborations, to address skills needs (as in some creative corridors). The Sector Plan recognises universities' key role in driving growth and innovation, but universities also face substantial challenges. These include a need, as identified in the UKRI R&D Strategy for the Cultural and Creative Economy (UKRI, 2026), to produce more PhD graduates trained in creative R&D and CreaTech, and a need for more startups and university spinouts. This focus builds on an area of recent policy interest, including the UK government's Tickell Review of university spinout companies (Tickell, 2022) and the UKRI Hickson Review (Hickson, 2026), which highlight the need to better support and incentivise commercialisation activities and deepen collaboration between academic organisations and investors. Initiatives such as the Economic and Social Research Council (ESRC)/AHRC Social sciences, Humanities and Arts for People and the Economy (SHAPE) Catalyst delivered by the Aspect Research Commercialisation (ARC) Accelerator have provided support for the commercialisation of SHAPE research, in contrast to the STEM (Science, Technology,

Engineering and Mathematics) focus of some other commercialisation research. Other forms of university–industry interactions, such as collaboration on research and KTPs, have been highlighted in the Sector Plan and the UKRI Corporate Plan 2025–2027 (UKRI, 2025).

Given the parallel importance of the place-based agenda and the role of universities in driving local growth for the creative industries, this report aims to provide new evidence relating to both areas. It therefore builds on the previous Creative PEC State of the Nations report as well as previous National Endowment for Science, Technology and the Arts (Nesta) evidence on creative clusters (Mateos Garcia and Bakhshi, 2016; Mateos Garcia et al., 2018), to provide updated analysis and new, granular tables to help local and regional policymakers better understand their creative clusters. The report also presents new evidence on creative industry businesses' interactions with universities, through spinouts, collaborations on research council-funded projects and KTPs. It then uses evidence from the first wave of the AHRC CICP to highlight the ways in which implementation has focused on different approaches to local problems, rather than top-down, one-size-fits-all solutions.

## 1.1 Creative clusters in context

Two decades of research on the geography of the creative industries have consistently highlighted two themes. First, the creative industries are characterised by high levels of clustering – that is, concentration of activities within certain areas (Bloom et al., 2020; Casadei et al., 2023; Gardiner and Sunley, 2020; Tether, 2019). Creative clusters are marked by high levels of sectoral specialisation, dense inter-firm networks and thick, specialised labour markets with spillovers throughout the wider local economy (Bakhshi and Dorsett, 2023; Siepel et al., 2020; Wang et al., 2025).

Several exercises have attempted to map and identify UK creative clusters. Initial efforts by Nesta (Mateos Garcia and Bakhshi, 2016; Mateos Garcia, Klinger and Stathoulopoulos, 2018) identified forty-seven creative clusters, a figure that was amended to fifty-five in 2022 (Frontier Economics, 2022). These creative clusters, which have previously been identified at the commuting zone level (see discussion below), capture most of the major cities and exist among all four nations of the UK. The focus on creative clusters at a city/commuting zone level has subsequently been expanded, with additional

work highlighting the importance of finer and broader geographies. Finer geographies have been captured through research on creative 'microclusters' (Siepel et al., 2020; Velez-Ospina et al., 2023), which are small clusters of fifty or more creative organisations, distributed across the UK. Creative PEC research (Siepel et al., 2020; Velez-Ospina et al., 2023) identified 709 microclusters across the UK. Emergent work on 'creative corridors' (Hay et al., 2024; Siepel, Ramirez Guerra and Rathi, 2023) has sought to capture the ways in which the benefits of clusters may be more widely spread across regions.

The second key insight from this research is the persistence of inequalities between regions within the creative industries. There is a large body of evidence (Siepel, Ramirez Guerra and Rathi, 2023; Tether, 2019) highlighting the disproportionate concentration of creative industries in London and the South East of England. London is a creative 'supercluster' that is globally competitive with other major global cities, but equally, its success has arguably been to the detriment of other UK nations and regions. Addressing this regional inequality is vitally important, as creative industries have the potential to drive local economic growth across the UK. In order to realise this goal, there have been many policy interventions that have aimed to provide support to creative industry

businesses outside London and the South East of England. These have included interventions such as the Creative Scale-Up and Create Growth Programmes, which targeted investment readiness in areas outside London (DCMS, 2025); Innovate UK's (IUK) Creative Catalyst awards, some of which targeted support more broadly outside London (Fiddian, 2022; Siepel, 2025); the AHRC CICP (wave 1), in which seven of the nine awards went to clusters outside London and the South East (Frontier Economics and BOP Consulting, 2024); and many more. With this inequality as such a persistent feature of the UK, the most recent evidence from the State of the Nations series (Siepel, Ramirez Guerra and Rathi, 2023) also found persistence among the regional inequalities, but it is important to monitor the extent to which these have widened or narrowed. Moreover, it is important to capture how various policy interventions have been implemented within creative clusters and regions, to better judge progress in driving growth in the creative industries across all sectors. This report therefore explores both the current state of UK creative clusters overall, and complements this with an analysis of how several forms of policy interventions to support university-industry relations have been distributed across the UK's creative clusters.

## 1.2 Capturing creative clusters

Measuring the presence of creative clusters is not straightforward. There are two broad ways to map clusters. The first is to look at relative concentrations of activity within defined geographical boundaries. The boundaries used may be administrative (e.g. those of local authorities) or they may be revealed (i.e. calculated to capture a phenomenon such as commuting). For most work on creative clustering using this approach, the boundaries used have been TTWAs. Travel to Work Areas are geographical boundaries that divide the UK into

'commuting zones', in which at least 75% of those who work in an area live. They are useful because they capture entire urban areas (e.g. London, Birmingham or Glasgow), irrespective of changes to political boundaries, but they are granular enough to capture geographical changes. This approach to using geographical boundaries then compares the relative concentration of a sector in one area with the concentration of that sector in the entire population, a measure called a 'location quotient'. The current DCMS approach to creative clusters, which uses forty-seven creative clusters

that were subsequently expanded to fifty-five (Frontier Economics, 2022; Mateos Garcia and Bakhshi, 2016), is based on the location quotient approach.

An alternative approach to creative clustering is to use unstructured data that is agnostic to geographical boundaries. This approach involves the application of clustering algorithms to the population of geocoded business sites, capturing where clustering activities emerge. In the context of the creative industries, this approach was first used in Creative PEC's Creative Radar reports (Siepel et al., 2020, 2021; Velez-Ospina et al., 2023), in which scraped web data from the entire population of UK company and organisation websites was analysed to identify 709 creative microclusters across the UK. The geography-agnostic, algorithm-based approach used in that study has subsequently been adopted by DSIT for its mapping of innovation clusters (DSIT, 2025). The DSIT innovation clusters map activities without linking them to specific boundaries, drawing on Standard Industrial Classification (SIC) codes, internally defined lists of companies in emerging technology sectors and the Real-Time Industrial Classifications developed by The Data City (The Data City, 2026). The DSIT map of creative industries activity identifies twenty-eight creative clusters of innovation activity and investment, compared to the fifty-five clusters on the list published by DCMS. We compare these maps and discuss the implications for using different measures, in Section 2.

These two approaches have strengths and drawbacks. A boundary-based approach is cleaner and can show relative areas of strength, but may miss emergent clustering properties across geographical boundaries. They are also subject to the limitations of industrial classifications (as they rely on the UK's SIC codes, which were last updated in 2007 and are self-reported in company registration documents

by businesses or their accountants) and the geography of business registration. In contrast, a cluster-based approach can be empirically robust in identifying patterns of activity, but is also subject to biases around classifications and registration, as well as other choices relating to the threshold number of firms used in the exercise, and physical geographical boundaries (e.g. where there are islands and gaps across bodies of water). Likewise, identification of companies based on non-SIC code taxonomies such as website text can provide a powerful alternative, but these classifications have drawbacks. Classifications for a single sector are typically based on keywords, which can make them sensitive to the choice of those keywords. Also, keywords may be proprietary or otherwise publicly available, making it difficult to standardise or replicate sector classifications. Consequently, even these need to be considered with care.

The approach we take in this report is to continue in line with previous research that focuses on creative clusters at the TTWA level (including Mateos Garcia and Bakhshi, 2016; Mateos Garcia, Klinger and Stathoulopoulos, 2018; Siepel, Ramirez Guerra and Rath, 2023). This allows for direct comparability with previous reports that used the definition of forty-seven (and later fifty-five creative clusters, as identified at TTWA level). This allows more immediate comparability between clusters. Our approach differs from the previous State of the Nations report on clusters (Siepel, Ramirez Guerra and Rath, 2023) in a few ways. First, our primary focus is on creative clusters, as defined by DCMS (Frontier Economics, 2022). We therefore include, and report, only results relating to those fifty-five clusters. This is due to the focus placed on city regions and clusters in the Creative Industries Sector Plan and subsequent policy interventions. By focusing on these clusters,

we hope to extend the evidence base for policymakers in these areas. We also do not seek to challenge the classification of these fifty-five clusters, which have been adopted as standard terminology. This also does not mean that we do not acknowledge the importance of creative industries outside these fifty-five areas. While we include some analysis on creative microclusters, we do not place a heavy emphasis on this topic, and we likewise do not seek to update previous analysis of creative corridors. We aim to update both in future instalments of the State of the Nations series.

Our analysis also includes more granular data points, with more tables reporting figures for specific regions and clusters. This is intended to provide clearer insights for policymakers in addition to the high-level insights we produce from the data. This necessarily carries with it some important limitations. The data we use in Section 2 is gleaned from ONS statistics, including labour market and business count data from the Nomis platform.<sup>1</sup> The results we share are the publicly accessible data that has been rounded to avoid disclosure. They therefore may differ from other analyses using safeguarded or secure datasets. They are also subject to biases around headquarters (see Siepel, Ramirez Guerra and Rath, 2023, p. 25), where a company's registered address may not reflect its actual operations. Changes in registered addresses may therefore result in substantial swings in data, particularly in the case of finer geographies, even if the 'on the ground' reality has not changed. In a recent blogpost, Riley (2026) highlights how very refined data can be affected by abnormalities. For example, a sudden jump in productivity for Manchester appears to be driven by the creation of high-

turnover, low-employment companies managing football players' income due to changes in IR35 employment rules. For this reason, the figures we report, while replicable with ONS data, should be interpreted with care.

The Creative Industries Sector Plan's focus on regions and clusters highlights the importance of innovation for driving local growth in the creative industries. The Sector Plan highlights the importance of universities for driving innovation. In order to explore this in more detail, we follow our analysis of regional and cluster performance by discussing how universities interact with local creative businesses. We present data on spinouts, collaborative research projects and KTPs. Our analysis of these is based on HESA Spin-out Register data and the GtR+ dataset, which has been produced by DSIT to enhance the existing GtR data. We identify all the businesses in the creative industries SIC codes that have engaged in these projects. It is important to note that the involvement of businesses in creative SIC codes does not necessarily imply that the projects are themselves creative, as has been discussed in forthcoming Creative PEC research. Our discussion of these university-industry links is complemented by an analysis of data from AHRC CICP, a major investment in supporting R&D in local creative clusters that ran from 2018 to 2023, and for which another round of funding for new clusters is currently open. Finally, it is important to note that our analysis is focused on collaborations between universities and businesses, and does not consider the biggest source of impact for universities in the economy – the training of an educated workforce. This is an especially important topic, but it is one that has been addressed in other Creative PEC research (e.g. Bloom, 2020; McAndrew et al., 2025).

1. <https://www.nomisweb.co.uk>

## 2

# Growth trends in regions and creative clusters

The creative industries in the UK have effects across multiple levels, with regions, clusters and microclusters all playing important roles in shaping performance. Building on previous Creative PEC research on this topic (see Siepel, Ramirez Guerra and Rathi, 2023), we first discuss changes in the regional dynamics of creative industries, before focusing on the most recent evidence relating to the UK's fifty-five creative clusters. It should be noted that while Siepel, Ramirez Guerra and Rathi (2023) included analysis of turnover at the cluster level (allowing for calculation of labour productivity at the regional level), this was based on a one-off ONS publication of data that is not typically publicly available. We are therefore unable to completely replicate that previous analysis here.

## 2.1 Regional inequalities in the creative industries

As mentioned before, the creative industries in the UK have long been characterised by substantial inequalities in employment between regions, with employment concentrated in London and the South East, which serve as a 'supercluster', with their concentration of businesses and workers and status as a global creative hub (Siepel, Ramirez Guerra and Rathi, 2023; Tether, 2019). The historical regional inequalities revealed in Siepel, Ramirez Guerra and Rathi (2023) seem to have persisted beyond the Covid-19 pandemic. With the post-pandemic recovery and before the full unravelling of the effects of new policy initiatives, an update on the regional trends in inequality is timely.

Table 2.1 and Figure 2.1 present up-to-date evidence from DCMS employment statistics up to 2024 (the last year for which data is available). Figure 2.1 reveals that after steady increases in overall creative industries employment from 2011 to 2022, since 2022 overall creative industries employment has remained steady. Despite this consistent finding, Table 2.1 implies that the regional share of these jobs has changed, with a decrease in the relative share of creative workers in London as a total of UK creative industries employment since 2019, and comparative increases in several UK regions over this period. While this could be interpreted as a narrowing of regional inequalities, several other factors complicate this interpretation.

First, the post-Covid-19 pandemic saw a major shift to people working from home. This made living outside London and commuting more feasible for many people. Although there are no official statistics on working from home among creative businesses or occupations, ONS figures suggest that among the classes of occupations in which most creative occupations are located (professional and associate professional) more than half of workers work entirely or partly from home (ONS, 2026).<sup>2</sup> So, an increase in creative workers outside London could potentially capture an outflow of workers whose work is in London, but who live in other regions. Second, ONS data confidence intervals<sup>3</sup> suggest that these changes are not statistically significant and could be due to random error (although they do show indications of sigma convergence; i.e. a statistical likelihood of coming together over time).

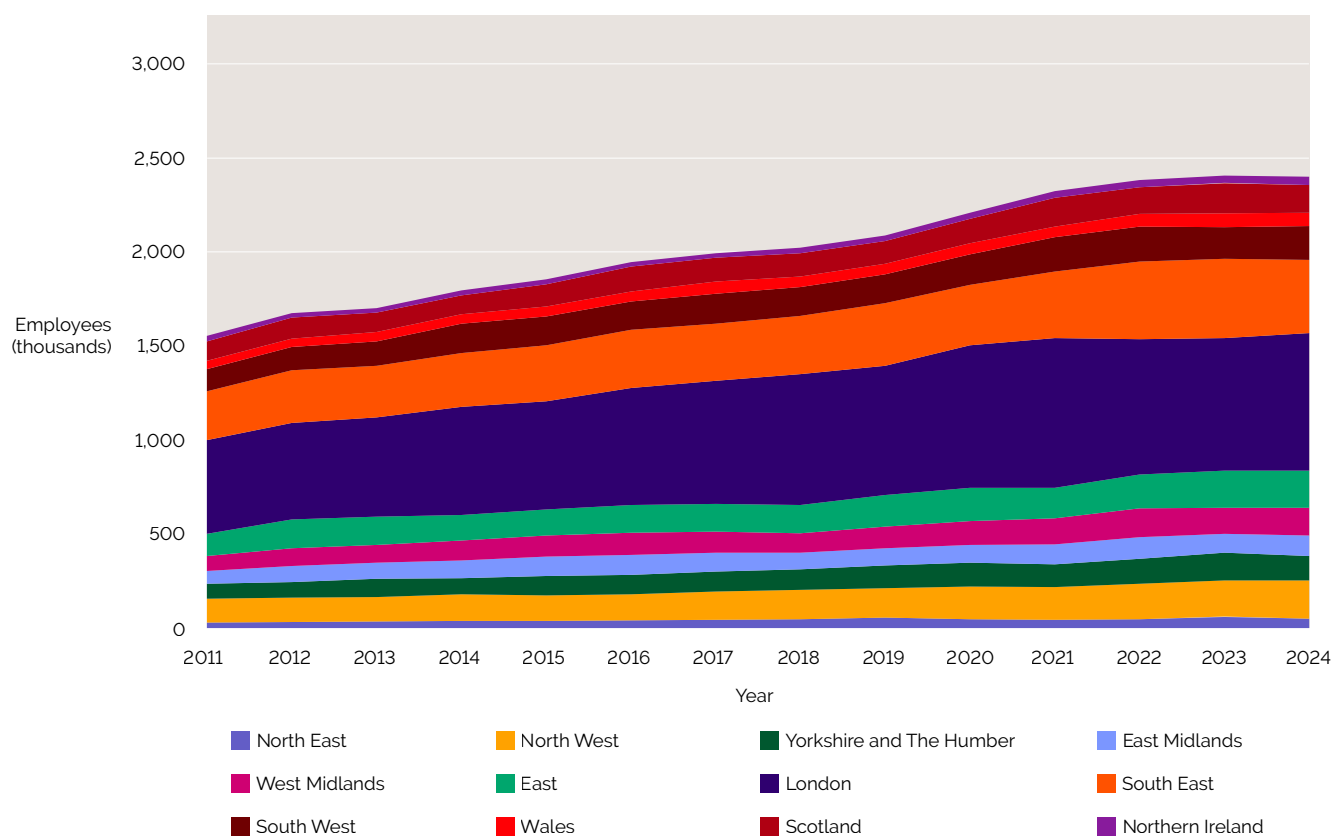
On balance, these figures on the number of workers in the creative industries could be indicative that, in the period after Covid-19, the rise of hybrid work is changing the geography of the creative industries in the UK, as more flexible working arrangements have meant that some workers are able to live further away from their places of work. This has meaningful implications for the creative industries, as clusters of creative businesses are historically based on proximity and networks, including in-person interactions. Previous Creative PEC research during the Covid-19 pandemic (Siepel et al., 2021) showed that a shift to remote working did not necessarily impact companies' engagement with other businesses within creative clusters. But, it is possible that the presence of skilled remote workers across the country could present an opportunity for other regions to build knowledge and expertise from remote workers living locally, even if their work is elsewhere. More analysis would be required to explore the potential magnitude of this effect and how it could support growth in other regions.

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2. ONS working arrangements data: <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/datasets/publicopinionsandsocialtrendsgratbritainworkingarrangementsby personalcharacteristics>

3. See the technical and quality assurance report for the figures: <https://www.gov.uk/government/statistics/economic-estimates-employment-january-2024-to-december-2024-for-dcms-sectors>

Figure 2.1: Employment levels in the creative industries by region, 2011–2024



Source: Authors' elaboration from DCMS Economic Estimates for Employment 2011-2025

**Table 2.1: Creative industries' employment levels, change and composition**

|                          | 2024 Number of Workers (thousands)         |                                |                                              |                         | % Change 2022-2024 |               |                                              | % All Creative Industries Employment in UK |       |       |       |
|--------------------------|--------------------------------------------|--------------------------------|----------------------------------------------|-------------------------|--------------------|---------------|----------------------------------------------|--------------------------------------------|-------|-------|-------|
|                          | Employees in creative industries companies | Self-employed creative workers | Total employment (Employees + Self-employed) | % Workers self-employed | Employees          | Self-employed | Total employment (Employees + Self-employed) | 2011                                       | 2019  | 2022  | 2024  |
| North East               | 35                                         | 14                             | 50                                           | 29%                     | 7%                 | 2%            | 6%                                           | 2.0%                                       | 2.7%  | 2.0%  | 2.1%  |
| North West               | 155                                        | 48                             | 203                                          | 24%                     | 10%                | 0%            | 7%                                           | 8.0%                                       | 7.5%  | 8.0%  | 8.5%  |
| Yorkshire and the Humber | 101                                        | 30                             | 131                                          | 23%                     | 0%                 | 2%            | 0%                                           | 5.2%                                       | 5.8%  | 5.5%  | 5.5%  |
| East Midlands            | 69                                         | 39                             | 109                                          | 36%                     | -23%               | 44%           | -7%                                          | 4.3%                                       | 4.3%  | 4.9%  | 4.5%  |
| West Midlands            | 104                                        | 43                             | 148                                          | 29%                     | -7%                | 8%            | -3%                                          | 5.1%                                       | 5.5%  | 6.4%  | 6.1%  |
| East                     | 141                                        | 57                             | 198                                          | 29%                     | 7%                 | 15%           | 9%                                           | 7.6%                                       | 8.0%  | 7.6%  | 8.2%  |
| London                   | 517                                        | 213                            | 730                                          | 29%                     | 2%                 | 1%            | 1%                                           | 32.0%                                      | 32.9% | 30.2% | 30.4% |
| South East               | 285                                        | 106                            | 391                                          | 27%                     | -8%                | 4%            | -5%                                          | 16.7%                                      | 16.0% | 17.2% | 16.3% |
| South West               | 118                                        | 61                             | 178                                          | 34%                     | -1%                | -9%           | -4%                                          | 7.6%                                       | 7.2%  | 7.8%  | 7.4%  |
| Wales                    | 45                                         | 26                             | 71                                           | 36%                     | -3%                | 20%           | 4%                                           | 3.0%                                       | 2.8%  | 2.9%  | 3.0%  |
| Scotland                 | 103                                        | 45                             | 149                                          | 30%                     | 12%                | -9%           | 5%                                           | 6.5%                                       | 5.9%  | 6.0%  | 6.2%  |
| Northern Ireland         | 34                                         | 10                             | 44                                           | 22%                     | 9%                 | 30%           | 13%                                          | 1.9%                                       | 1.4%  | 1.6%  | 1.8%  |
| <b>Total</b>             | <b>1,713</b>                               | <b>696</b>                     | <b>2,409</b>                                 | <b>29%</b>              | <b>0%</b>          | <b>3%</b>     | <b>1%</b>                                    |                                            |       |       |       |

Source: Authors' elaboration from DCMS Economic Estimates for Employment 2022 and 2024

The shifting impact of creative industries in local economies is also presented in Table 2.2, which shows the creative industries' share of all employment in each region from 2011 to 2024, drawing on the same DCMS statistics. It is notable that the importance of the creative industries to regional economies has increased over this period for every region and nation of the UK. While the share of creative employment in London is twice the UK average, in most parts of the UK the share of creative employment

has continued to creep up. While these effects may appear modest, it is worth noting that the scale of these increases is not insubstantial relative to the size of local creative industries – an increase of 3,000 creative jobs in the North East and Wales over a two-year period, 5,000 in Northern Ireland, 7,000 in Scotland, 13,000 in the North West and 17,000 in the East of England. This shows the changing, meaningful impact of creative industries on local economies.

**Table 2.2: Creative industries' employment levels as a share of total regional employment, 2011, 2019, 2022 and 2024**

|                          | 2011        | 2019        | 2022        | 2024        |
|--------------------------|-------------|-------------|-------------|-------------|
| North East               | 2.8%        | 4.7%        | 4.0%        | 4.1%        |
| North West               | 3.8%        | 4.4%        | 5.4%        | 5.7%        |
| Yorkshire and the Humber | 3.4%        | 4.6%        | 4.9%        | 4.9%        |
| East Midlands            | 3.2%        | 3.9%        | 5.0%        | 4.7%        |
| West Midlands            | 3.2%        | 4.1%        | 5.3%        | 5.2%        |
| East                     | 4.4%        | 5.7%        | 5.9%        | 6.6%        |
| London                   | 11.2%       | 12.8%       | 13.5%       | 13.5%       |
| South East               | 6.3%        | 7.4%        | 8.9%        | 8.3%        |
| South West               | 4.5%        | 5.2%        | 6.4%        | 6.0%        |
| Wales                    | 3.4%        | 4.0%        | 4.7%        | 4.9%        |
| Scotland                 | 4.0%        | 4.5%        | 5.2%        | 5.3%        |
| Northern Ireland         | 3.7%        | 3.4%        | 4.5%        | 4.9%        |
| <b>Total Employment</b>  | <b>5.2%</b> | <b>6.3%</b> | <b>7.1%</b> | <b>7.1%</b> |

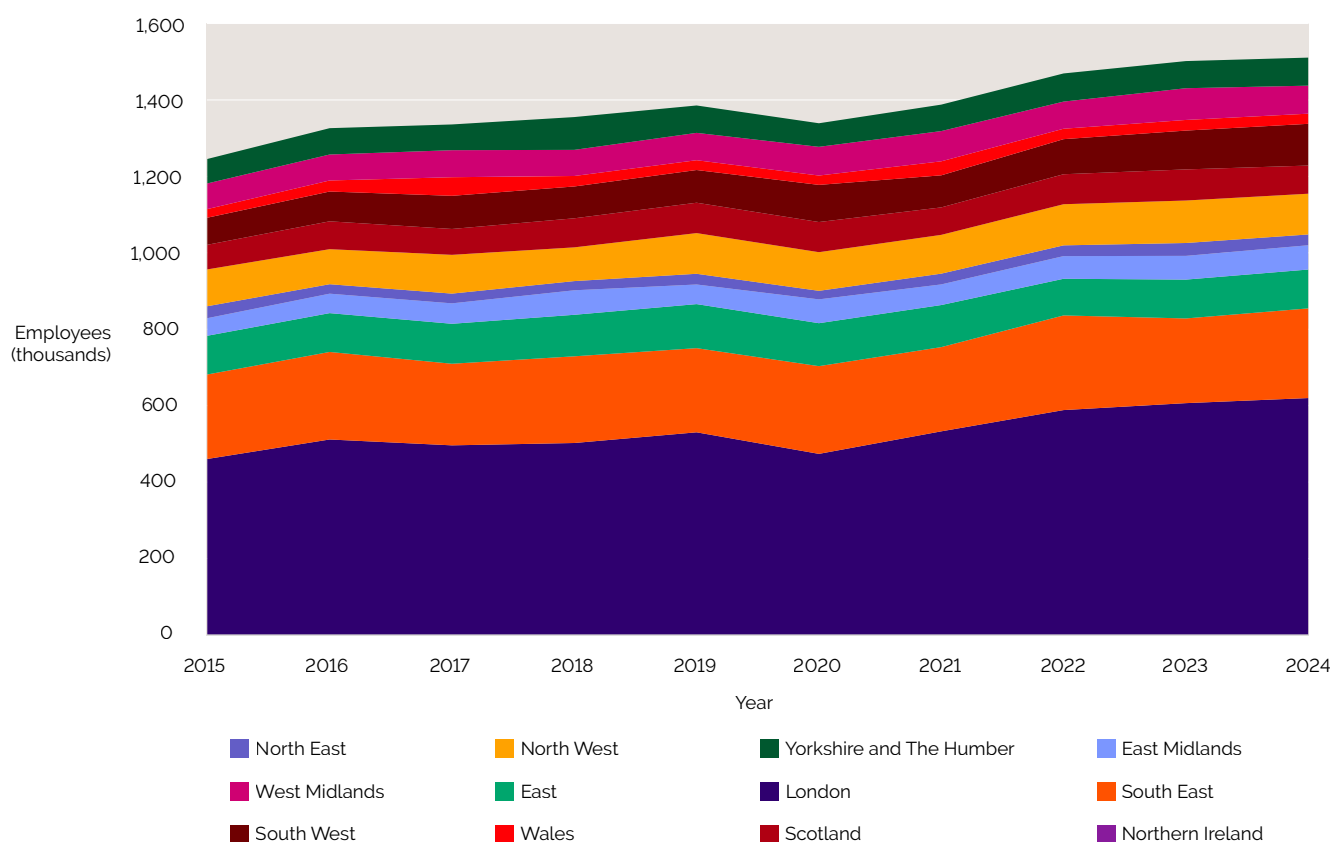
Source: DCMS Economic Estimates for Employment 2011, 2019, 2022, 2024 (DCMS 2025)

An alternative way of measuring regional changes in employment is to look at business employment. Using data from the ONS Business Register and Employment Survey, we can track the total employment of creative industry businesses located in a certain region, rather than the location of employees, as used in DCMS Economic Estimates.<sup>4</sup> This analysis, presented in Figure 2.2, shows the change in employment across the regions from 2015 to 2024, but based on companies' employment figures. This data has limitations, including through the 'headquarters effect' (see Siepel, Ramirez Guerra and Rath, 2023), and it does not include all self-employed workers and freelancers, but it does provide

a complementary picture to the analysis discussed above, focusing on the location of businesses. Note that the overall figures are lower than those seen in Figure 2.1, as they only capture business employees and self-employed workers with their own registered business. The figures show that, correcting for economy-wide trends, at the business employment level the overall share of employment in the sector in London and the South East has indeed remained approximately constant. This suggests that the prospective interpretation of a shift in workers post-Covid does seem plausible, as this data only captures where companies operate, not where their workers are located.

4. To give an example, a commuter living in Northampton who works remotely and commutes to London one to two days a week would show up in the East Midlands for national employment figures but in London for business employment. The former is useful for showing the distribution of all workers, while the latter is useful for identifying where employment activity is concentrated.

Figure 2.2: Employment levels in creative industry businesses, 2015–2024



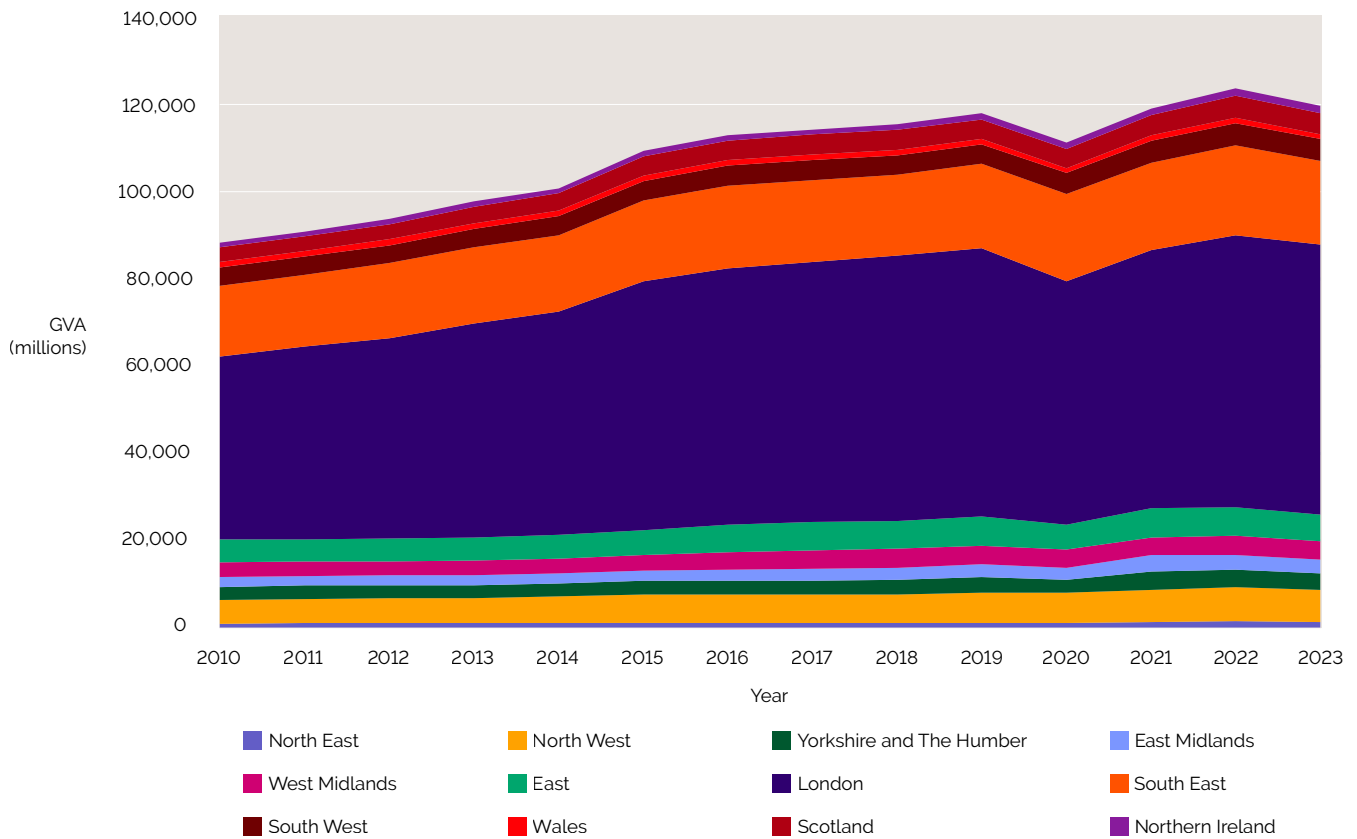
Source: Authors' elaboration from ONS Business Register and Employment Survey data 2015–2025

Another means of capturing the economic contribution of creative industries in the regions is through GVA, which captures where economic value is added through the economy. Figure 2.3 shows the changes in GVA by region from 2010 to 2023, the last year for which regional data is available. This figure shows the dip in economic activity from the Covid-19 pandemic much more clearly, and otherwise shows a recovery in GVA in 2022, followed by a drop in 2023 across most regions. London still represents the largest contributor to creative industries' GVA, with 51.7% of GVA in 2023, a value that is lower than in the mid-2010s but

is higher than during the Covid-19 pandemic, when it dipped to 49.8%. This suggests that the narrowing in regional inequalities in employment are not being reflected in GVA, although further analysis of regional GVA figures indicates substantial fluctuations in these figures. With GVA data unavailable for 2024 at the time of writing, we cannot compare GVA with the 2024 employment data used elsewhere in the report, although the most recent provisional GVA estimates for the creative industries<sup>5</sup> (not disaggregated by region) show a 4.6% increase in overall creative industries' GVA from 2023 to 2024.

5. <https://www.gov.uk/government/statistics/dcms-economic-estimates-gva-2024-provisional>

Figure 2.3: Creative industries' GVA by region, 2010–2023



Source: Authors' elaboration from DCMS Economic Estimates for GVA, 2010–2023

## 2.2 The state of creative clusters

The UK's fifty-five creative clusters remain the source of a vast majority of the UK's creative industries' output. How have these clusters fared over the past three years? Table 2.3 shows creative industries' employment levels, business counts and estimated GVA for nearly all the UK's fifty-five creative clusters (data is unavailable for Belfast, as equivalent TTWA-level data is not published for Northern Ireland). The estimated GVA measure is the same as

that used in previous Nesta and Creative PEC reports (Mateos Garcia and Bakhshi, 2016; Mateos Garcia, Klinger and Stathoulopoulos, 2018; Siepel, Ramirez Guerra and Rathi, 2023). It proxies GVA in a TTWA by taking the regional creative industries' GVA for each region, dividing this by the number of employees, producing a GVA/employee measure, and then multiplying this by the number of creative employees in a TTWA.

**Table 2.3: Creative industries' employment levels (2024), business counts (2025) and estimated GVA (2023) for DCMS 55 creative cluster TTWAs**

| TTWA                        | Region               | Employment 2024 | % All TTWA Employment 2024 | Number of Businesses 2025 | % All TTWA Businesses 2025 | Estimated GVA 2023 (£ Millions) |
|-----------------------------|----------------------|-----------------|----------------------------|---------------------------|----------------------------|---------------------------------|
| Basingstoke                 | South East           | 5,970           | 5%                         | 1,450                     | 13%                        | 445                             |
| Bath                        | South West           | 6,950           | 8%                         | 1,120                     | 14%                        | 356                             |
| Belfast                     | Northern Ireland     | n/a*            | n/a*                       | 2,215                     | 8%                         | n/a*                            |
| Birmingham                  | West Midlands        | 32,225          | 3%                         | 4,565                     | 7%                         | 1,625                           |
| Bournemouth                 | South West           | 6,285           | 4%                         | 1,285                     | 9%                         | 322                             |
| Brighton                    | South East           | 9,535           | 7%                         | 3,035                     | 19%                        | 710                             |
| Bristol                     | South West           | 31,825          | 6%                         | 4,070                     | 12%                        | 1,631                           |
| Cambridge                   | East of England      | 23,480          | 6%                         | 3,715                     | 11%                        | 1,509                           |
| Canterbury                  | South East           | 2,945           | 4%                         | 760                       | 10%                        | 219                             |
| Cardiff                     | Wales                | 12,270          | 3%                         | 2,135                     | 9%                         | 708                             |
| Chelmsford                  | East of England      | 6,880           | 3%                         | 2,065                     | 8%                         | 442                             |
| Cheltenham                  | West Midlands        | 5,780           | 7%                         | 1,005                     | 11%                        | 292                             |
| Chester                     | North West           | 3,785           | 2%                         | 880                       | 7%                         | 245                             |
| Chichester and Bognor Regis | South East           | 3,835           | 4%                         | 950                       | 9%                         | 286                             |
| Colchester                  | East of England      | 4,460           | 4%                         | 865                       | 9%                         | 287                             |
| Crawley                     | South East           | 11,725          | 4%                         | 3,525                     | 11%                        | 873                             |
| Crewe                       | North West           | 3,815           | 2%                         | 1,010                     | 8%                         | 247                             |
| Dundee                      | Scotland             | 3,860           | 4%                         | 325                       | 5%                         | 235                             |
| Eastbourne                  | South East           | 2,970           | 4%                         | 1,065                     | 10%                        | 221                             |
| Edinburgh                   | Scotland             | 23,515          | 5%                         | 2,740                     | 11%                        | 1,432                           |
| Exeter                      | South West           | 6,260           | 3%                         | 1,265                     | 6%                         | 321                             |
| Glasgow                     | Scotland             | 29,045          | 4%                         | 3,325                     | 9%                         | 1,769                           |
| Guildford and Aldershot     | South East           | 25,640          | 8%                         | 4,580                     | 14%                        | 1,910                           |
| Harrogate                   | Yorkshire and Humber | 3,285           | 4%                         | 770                       | 9%                         | 175                             |
| Hastings                    | South East           | 1,340           | 3%                         | 695                       | 10%                        | 100                             |
| High Wycombe and Aylesbury  | South East           | 11,530          | 7%                         | 3,280                     | 14%                        | 859                             |
| Huntingdon                  | East of England      | 2,230           | 2%                         | 600                       | 8%                         | 143                             |
| Ipswich                     | East of England      | 4,720           | 3%                         | 1,180                     | 7%                         | 303                             |
| Leamington Spa              | West Midlands        | 10,055          | 6%                         | 1,525                     | 11%                        | 507                             |
| Leeds                       | Yorkshire and Humber | 28,360          | 5%                         | 2,940                     | 10%                        | 1,515                           |
| Liverpool                   | North West           | 12,505          | 3%                         | 2,035                     | 7%                         | 810                             |
| London                      | London               | 565,200         | 10%                        | 87,805                    | 17%                        | 61,819                          |
| Luton                       | East of England      | 16,760          | 4%                         | 4,150                     | 12%                        | 1,077                           |
| Manchester                  | North West           | 66,205          | 4%                         | 9,550                     | 9%                         | 4,289                           |
| Medway                      | South East           | 6,510           | 3%                         | 1,785                     | 7%                         | 485                             |

**Table 2.3: Creative industries' employment levels (2024), business counts (2025) and estimated GVA (2023) for DCMS 55 creative cluster TTWAs (continued)**

| TTWA                             | Region               | Employment 2024 | % All TTWA Employment 2024 | Number of Businesses 2025 | % All TTWA Businesses 2025 | Estimated GVA 2023 (£ Millions) |
|----------------------------------|----------------------|-----------------|----------------------------|---------------------------|----------------------------|---------------------------------|
| Middlesbrough and Stockton       | North East           | 4,275           | 2%                         | 665                       | 5%                         | 168                             |
| Milton Keynes                    | South East           | 10,175          | 5%                         | 2,495                     | 13%                        | 758                             |
| Newbury                          | South East           | 4,040           | 7%                         | 825                       | 12%                        | 301                             |
| Newcastle                        | North East           | 20,260          | 4%                         | 2,205                     | 8%                         | 796                             |
| Northampton                      | East Midlands        | 5,235           | 3%                         | 1,120                     | 7%                         | 291                             |
| Norwich                          | East of England      | 6,385           | 3%                         | 1,415                     | 8%                         | 410                             |
| Oxford                           | South East           | 18,785          | 6%                         | 2,975                     | 12%                        | 1,399                           |
| Penzance                         | South West           | 1,765           | 7%                         | 185                       | 7%                         | 90                              |
| Peterborough                     | East of England      | 8,080           | 4%                         | 1,075                     | 7%                         | 519                             |
| Reading                          | South East           | 39,590          | 11%                        | 4,295                     | 16%                        | 2,949                           |
| Sheffield                        | Yorkshire and Humber | 10,975          | 3%                         | 1,990                     | 8%                         | 586                             |
| Slough and Heathrow              | South East           | 65,510          | 7%                         | 12,065                    | 14%                        | 4,880                           |
| Southampton                      | South East           | 13,970          | 4%                         | 2,510                     | 9%                         | 1,041                           |
| Southend                         | East of England      | 7,415           | 3%                         | 1,690                     | 7%                         | 477                             |
| Stevenage and Welwyn Garden City | East of England      | 5,900           | 3%                         | 1,985                     | 12%                        | 379                             |
| Swindon                          | South West           | 6,870           | 4%                         | 1,590                     | 9%                         | 352                             |
| Trowbridge                       | South West           | 4,150           | 4%                         | 1,035                     | 10%                        | 213                             |
| Tunbridge Wells                  | South East           | 5,725           | 5%                         | 2,115                     | 13%                        | 426                             |
| Warrington and Wigan             | North West           | 7,395           | 2%                         | 1,585                     | 6%                         | 479                             |
| York                             | Yorkshire and Humber | 7,045           | 4%                         | 1,060                     | 7%                         | 376                             |

Source: Authors' elaboration from ONS Business Register and Employment Survey 2024; ONS Business Counts 2025; and DCMS Regional GVA Statistics 2023

\* Employment values are not available for Belfast, as employment at four-digit SIC level is not published by the Northern Ireland Statistics Research Agency. Because GVA is based on employment calculations this figure is also unavailable.

Table 2.3 highlights the variability of creative employment and business count levels in these fifty-five clusters, with employment ranging from 11% of all employment in Reading to 19% of all businesses in Brighton.

When we move on to consider growth within TTWAs, we first note that while the DCMS 55 TTWAs represent 83% of all creative industries employment, actual growth rates at the TTWA level from 2022 to 2024 are not statistically

significantly higher or lower than those for non-DCMS 55 TTWAs. While the median employment growth rate for non-DCMS TTWAs was 19% compared to 13% for creative clusters, the former figure is distorted by comparatively smaller starting levels. For example, outside the DCMS 55 clusters, the median net job creation was 10 new jobs, while in DCMS clusters the median was 143. Tables 2.4 and 2.5 present the top fifteen TTWAs for net job creation and percentage employment growth, which

represents the upper quartile of regions by jobs created. Among these, it is notable that the high growth of employment is widespread across the UK. Seven of the top TTWAs for both job creation and employment growth were in the South West, compared to one and two TTWAs, respectively, for the South East including London. Compared to the previous State of the Nations report including this analysis, there is notable evidence of growth in large cities outside London and the South East. Although it is not a causal finding, it is notable that of the top fifteen regions for growth, nine are located within MSAs (Greater London, West of England, Greater Manchester, West Midlands, and Cambridgeshire and Peterborough), and all

of these but Cambridgeshire and Peterborough have identified the creative industries as a focus sector in their growth plans.

It should also be noted that outside the fifty-five creative clusters, some regions also posted high levels of growth, including Derby (31% growth), Bournemouth (27%), Poole (26%) and Nottingham (17%). A list of the ten TTWAs outside the fifty-five creative clusters with the highest number of net jobs added is provided in Table 2.6. It is notable that several of these added more jobs in this period than existing creative clusters, per the DCMS 55 definition. It is also notable that the list is largely made up of TTWAs in the East Midlands and South West.

**Table 2.4: Top 15 TTWAs for net creation of creative industry jobs, 2022–2024**

| TTWA           | Region          | Net Jobs Added |
|----------------|-----------------|----------------|
| London         | London          | 48,900         |
| Bristol        | South West      | 7,720          |
| Manchester     | North West      | 2,830          |
| Cambridge      | East of England | 2,410          |
| Birmingham     | West Midlands   | 2,075          |
| Swindon        | South West      | 1,970          |
| Bournemouth    | South West      | 1,520          |
| Peterborough   | East of England | 1,385          |
| Bath           | South West      | 1,280          |
| Exeter         | South West      | 1,075          |
| Cheltenham     | South West      | 995            |
| Chelmsford     | East of England | 830            |
| Trowbridge     | South West      | 765            |
| Newcastle      | North East      | 755            |
| Leamington Spa | West Midlands   | 750            |

Source: Authors' elaboration from ONS Business Register and Employment Survey 2022, 2024

**Table 2.5: Top 15 TTWAs for employment growth in the creative industries, 2022–2024**

| TTWA                        | Region          | % Employment Growth 2022–2024 |
|-----------------------------|-----------------|-------------------------------|
| Swindon                     | South West      | 35.7%                         |
| Bristol                     | South West      | 27.9%                         |
| Bournemouth                 | South West      | 27.2%                         |
| Peterborough                | East of England | 23.0%                         |
| Bath                        | South West      | 22.8%                         |
| Trowbridge                  | South West      | 21.9%                         |
| Exeter                      | South West      | 18.5%                         |
| Cheltenham                  | South West      | 17.6%                         |
| Chichester and Bognor Regis | South East      | 16.3%                         |
| Chelmsford                  | East of England | 13.8%                         |
| Chester                     | North West      | 12.7%                         |
| Cambridge                   | East of England | 10.7%                         |
| Southend                    | East of England | 10.0%                         |
| Northampton                 | East of England | 8.5%                          |
| London                      | London          | 8.4%                          |

Source: Authors' elaboration from ONS Business Register and Employment Survey 2022, 2024

**Table 2.6: Top 10 TTWAs outside DCMS 55 creative clusters for net job creation, 2022–2024**

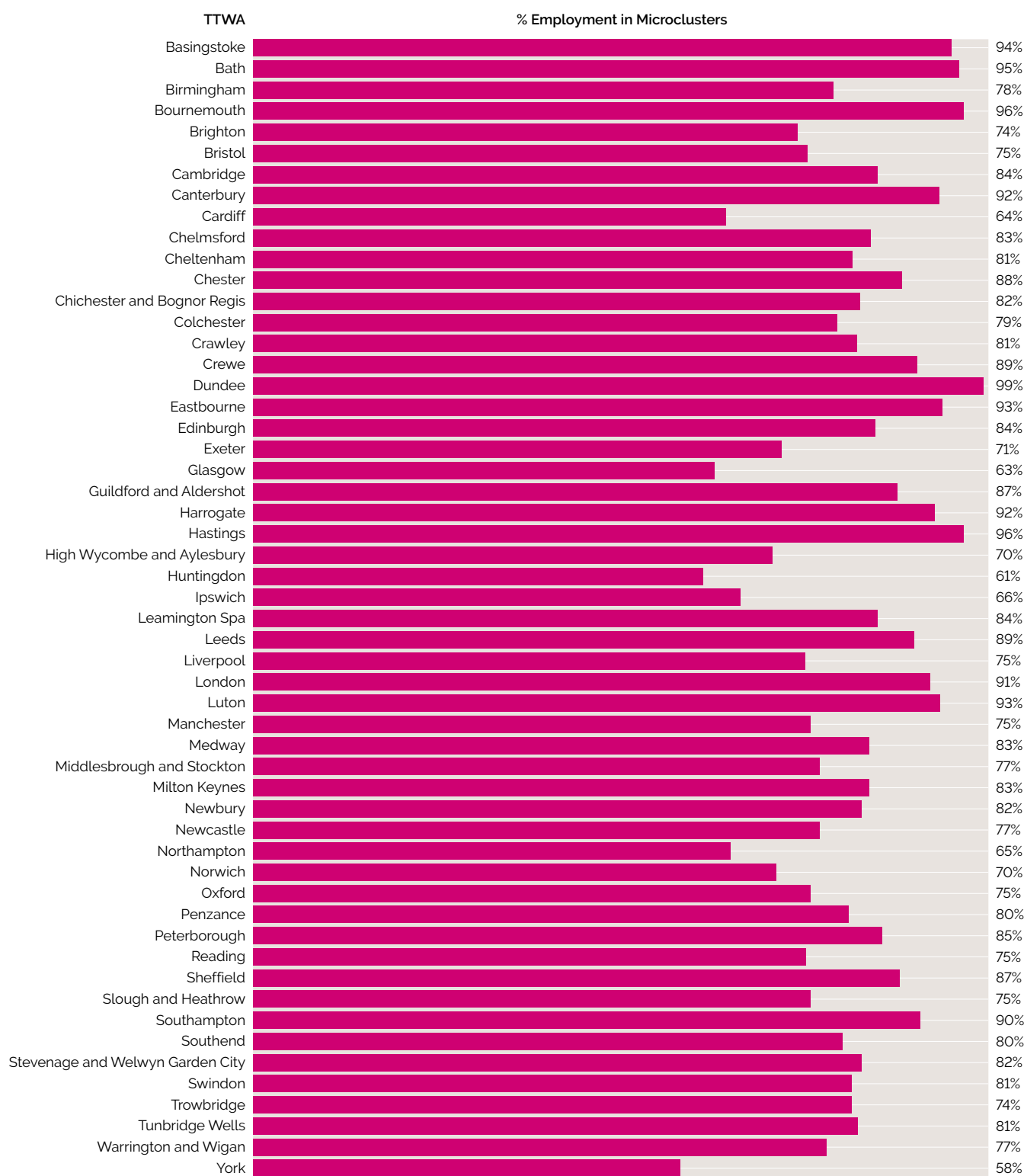
| TTWA              | Region          | Jobs Added |
|-------------------|-----------------|------------|
| Nottingham        | East Midlands   | 1,865      |
| Derby             | East Midlands   | 1,385      |
| Leicester         | East Midlands   | 1,240      |
| Poole             | South West      | 1,015      |
| Redruth and Truro | South West      | 865        |
| Salisbury         | South West      | 630        |
| Worthing          | South East      | 585        |
| Gloucester        | South West      | 575        |
| Bedford           | East of England | 500        |
| Barnstaple        | South West      | 455        |

Source: Authors' elaboration from ONS Business Register and Employment Survey 2022, 2024

Previous Creative PEC research has highlighted that creative 'microclusters' (i.e. small agglomerations at the street, neighbourhood or town level) have the potential to serve as 'engines of growth', with the majority of creative industries activity and job creation taking place within microclusters (Siepel et al., 2020; Siepel, Ramirez Guerra and Rath, 2023; Velez-Ospina et al., 2023). While clusters are the primary geographical level of analysis for policymakers, microclusters represent an important mechanism for driving growth. Figure 2.4 shows the share of employment in microclusters for each creative cluster. For some microclusters, such as those identified in Basingstoke, Dundee

and Leeds, most of the creative industries activity is located within these microclusters. For others, the shares are much lower. The clusters with a lower share of microcluster activity are often TTWAs with broad geographical scope, including multiple towns and cities (e.g. Trowbridge and Chelmsford), or are part of a larger city (e.g. Southampton and Newcastle). These help to indicate where microclusters represent hubs of creative activity, or where creative activities may be distributed and further microcluster development within areas could be beneficial by providing a base for developing and strengthening clusters.

Figure 2.4: Share of creative employment in microclusters, 2024



Source: Authors' elaboration from ONS Business Register and Employment Survey 2024 and Creative PEC data

## 2.3 Sector specialisation in creative clusters

Within creative clusters, each may have specialisations in one or more sectors. These sector specialisations are important, as they can provide a relative competitive advantage, with knowledge spillovers from existing businesses and workers providing benefits for other firms. In order to capture the differences in composition between sectors, Figure 2.5a–c shows the comparative composition of creative

employment in each of these sectors. Across the fifty-four clusters presented here (again noting that employment data is unavailable for Belfast), the figures show a good degree of diversity between the clusters. But this does vary, for instance with Cardiff having a large share of workers in screen sectors, and Chichester having a large share of workers in publishing.

**Figure 2.5: Sector composition of creative clusters**



Source: Authors' elaboration from ONS Business Register and Employment Survey 2024

For a clearer picture of comparative advantage, one common tool used is location quotients (LQs), which divide the share of employment in an area or region by the overall share of employment in the whole population. Figure 2.6a–c presents a visualisation of LQs for the creative clusters. Darker colours in the figure indicate higher levels of specialisation. It is possible to see some areas with high levels of specialisation, for instance in Penzance,

where there are several sector specialisations, including Design; Film, TV and Radio; and Museums, Galleries and Libraries (particularly, in Penzance's case, due to its tourist economy). The case of Penzance is notable, as it has among the lowest overall employment in the UK's creative clusters, but its creative activities do not include a large share of IT, Software and Computer Services, producing high LQs.

Figure 2.6 Location quotients for TTWAs, by creative industries subsector

|                             | Advertising and Marketing | Architecture | Crafts | Design | Film, TV and Radio | IT Software and Computer Services | Museums, Libraries and Galleries | Music and Performing Arts | Publishing | All creative industries |
|-----------------------------|---------------------------|--------------|--------|--------|--------------------|-----------------------------------|----------------------------------|---------------------------|------------|-------------------------|
| Basingstoke                 | 0.46                      | 0.91         | 0.93   | 0.92   | 0.74               | 1.61                              | 0.41                             | 0.78                      | 0.32       | 1.09                    |
| Bath                        | 2.25                      | 0.26         | 1.75   | 1.14   | 0.89               | 1.49                              | 0.96                             | 1.12                      | 2.83       | 1.51                    |
| Birmingham                  | 0.60                      | 5.31         | 0.76   | 0.37   | 0.44               | 0.79                              | 0.75                             | 0.64                      | 0.24       | 0.658                   |
| Bournemouth                 | 1.42                      | 0.30         | 0.61   | 0.50   | 0.39               | 1.21                              | 1.06                             | 0.54                      | 0.34       | 0.93                    |
| Brighton                    | 1.76                      | 3.56         | 2.28   | 2.09   | 1.68               | 1.18                              | 0.68                             | 2.76                      | 0.36       | 1.48                    |
| Bristol                     | 1.23                      | 0.18         | 0.50   | 1.82   | 1.83               | 1.39                              | 0.64                             | 0.91                      | 0.99       | 1.33                    |
| Cambridge                   | 0.71                      | 0.12         | 0.55   | 0.37   | 0.45               | 1.49                              | 1.90                             | 1.09                      | 3.91       | 1.28                    |
| Canterbury                  | 0.37                      | 2.37         | 2.37   | 0.68   | 0.54               | 0.75                              | 1.11                             | 1.52                      | 0.47       | 0.80                    |
| Cardiff                     | 0.21                      | 0.63         | 0.57   | 1.53   | 1.88               | 0.35                              | 0.95                             | 1.21                      | 0.45       | 0.73                    |
| Chelmsford                  | 0.68                      | 0.30         | 0.70   | 0.46   | 0.40               | 0.67                              | 0.57                             | 0.62                      | 0.50       | 0.60                    |
| Cheltenham                  | 1.84                      | 0.23         | 0.80   | 0.59   | 0.46               | 1.82                              | 0.33                             | 1.06                      | 1.26       | 1.34                    |
| Chester                     | 0.41                      | 3.27         | 0.45   | 0.37   | 0.30               | 0.38                              | 0.73                             | 0.51                      | 0.57       | 0.43                    |
| Chichester and Bognor Regis | 0.34                      | 1.64         | 1.20   | 0.80   | 0.65               | 0.45                              | 2.83                             | 1.24                      | 2.93       | 0.85                    |
| Colchester                  | 1.13                      | 0.23         | 0.40   | 0.62   | 0.49               | 0.67                              | 1.83                             | 0.88                      | 0.85       | 0.76                    |
| Crawley                     | 0.95                      | 0.50         | 0.98   | 0.87   | 0.72               | 0.86                              | 0.68                             | 0.70                      | 0.80       | 0.83                    |
| Crewe                       | 0.37                      | 0.31         | 0.80   | 0.35   | 0.28               | 0.83                              | 0.56                             | 0.19                      | 0.43       | 0.58                    |
| Dundee                      | 0.07                      | 0.00         | 0.39   | 0.35   | 0.31               | 0.51                              | 5.06                             | 0.77                      | 1.83       | 0.72                    |
| Eastbourne                  | 0.48                      | 2.05         | 1.46   | 1.91   | 1.52               | 0.45                              | 0.79                             | 1.82                      | 0.64       | 0.90                    |
| Edinburgh                   | 0.57                      | 0.21         | 0.49   | 0.50   | 0.41               | 1.16                              | 2.95                             | 1.15                      | 0.34       | 0.90                    |
| Exeter                      | 1.01                      | 0.22         | 0.37   | 0.48   | 0.39               | 0.63                              | 0.79                             | 0.53                      | 0.92       | 0.64                    |
| Glasgow                     | 0.46                      | 0.31         | 0.55   | 1.29   | 1.08               | 0.69                              | 1.04                             | 1.05                      | 0.52       | 0.80                    |
| Guildford and Aldershot     | 1.36                      | 1.03         | 1.57   | 0.93   | 0.77               | 2.65                              | 0.51                             | 1.17                      | 0.41       | 1.72                    |
| Harrogate                   | 0.52                      | 1.11         | 2.54   | 0.51   | 0.40               | 0.94                              | 0.38                             | 1.03                      | 0.20       | 0.78                    |
| Hastings                    | 0.48                      | 7.89         | 1.13   | 0.78   | 0.63               | 0.37                              | 0.90                             | 1.30                      | 0.44       | 0.60                    |
| High Wycombe and Aylesbury  | 1.10                      | 0.64         | 1.76   | 2.16   | 2.13               | 1.50                              | 0.76                             | 1.51                      | 0.93       | 1.53                    |
| Huntingdon                  | 0.47                      | 0.00         | 0.27   | 0.32   | 0.26               | 0.69                              | 0.64                             | 0.32                      | 0.15       | 0.50                    |
| Ipswich                     | 0.51                      | 0.14         | 0.31   | 0.72   | 0.61               | 0.49                              | 0.49                             | 1.19                      | 0.41       | 0.51                    |
| Leamington Spa              | 0.60                      | 0.45         | 1.72   | 0.62   | 0.48               | 1.82                              | 1.34                             | 1.26                      | 0.53       | 1.25                    |

**Figure 2.6 Location quotients for TTWAs, by creative industries subsector (continued)**

|                                  | Advertising and Marketing | Architecture | Crafts | Design | Film, TV and Radio | IT, Software and Computer Services | Museums, Libraries and Galleries | Music and Performing Arts | Publishing | All creative industries |
|----------------------------------|---------------------------|--------------|--------|--------|--------------------|------------------------------------|----------------------------------|---------------------------|------------|-------------------------|
| Leeds                            | 1.10                      | 0.42         | 1.05   | 0.95   | 0.85               | 1.49                               | 0.64                             | 1.24                      | 0.46       | 1.17                    |
| Liverpool                        | 0.26                      | 0.29         | 0.39   | 0.52   | 0.45               | 0.44                               | 1.06                             | 0.75                      | 1.49       | 0.55                    |
| London                           | 2.97                      | 2.09         | 1.91   | 2.66   | 2.61               | 1.93                               | 1.36                             | 2.27                      | 2.93       | 2.25                    |
| Luton                            | 0.74                      | 0.53         | 0.43   | 1.39   | 1.11               | 0.94                               | 0.20                             | 0.73                      | 0.72       | 0.89                    |
| Manchester                       | 1.04                      | 0.39         | 0.81   | 0.81   | 1.10               | 0.95                               | 0.47                             | 0.55                      | 0.70       | 0.89                    |
| Medway                           | 0.33                      | 0.35         | 0.90   | 0.42   | 0.46               | 0.57                               | 1.26                             | 0.51                      | 0.53       | 0.55                    |
| Middlesbrough and Stockton       | 0.26                      | 0.12         | 0.48   | 0.23   | 0.21               | 0.51                               | 0.62                             | 0.22                      | 0.05       | 0.37                    |
| Milton Keynes                    | 0.70                      | 0.61         | 0.93   | 0.80   | 0.66               | 1.39                               | 1.12                             | 0.78                      | 0.33       | 1.02                    |
| Newbury                          | 0.66                      | 0.00         | 1.18   | 0.59   | 0.48               | 2.13                               | 0.34                             | 1.80                      | 1.11       | 1.41                    |
| Newcastle                        | 0.65                      | 0.19         | 0.66   | 0.41   | 0.34               | 0.98                               | 1.16                             | 0.62                      | 0.14       | 0.72                    |
| Northampton                      | 0.46                      | 0.00         | 1.71   | 0.27   | 0.33               | 0.78                               | 0.31                             | 1.23                      | 0.33       | 0.66                    |
| Norwich                          | 0.75                      | 2.12         | 0.36   | 0.54   | 0.51               | 0.40                               | 1.37                             | 0.96                      | 1.13       | 0.60                    |
| Oxford                           | 1.83                      | 0.29         | 0.98   | 0.67   | 0.55               | 1.16                               | 0.99                             | 0.99                      | 4.09       | 1.28                    |
| Penzance                         | 0.40                      | 3.41         | 0.52   | 7.49   | 5.75               | 0.27                               | 9.35                             | 2.23                      | 0.67       | 2.21                    |
| Peterborough                     | 0.42                      | 0.54         | 1.07   | 0.25   | 0.30               | 1.04                               | 0.53                             | 1.71                      | 1.26       | 0.85                    |
| Reading                          | 1.65                      | 2.05         | 1.09   | 1.01   | 0.81               | 3.97                               | 0.35                             | 0.55                      | 0.27       | 2.29                    |
| Sheffield                        | 0.26                      | 2.23         | 0.87   | 0.41   | 0.37               | 0.70                               | 0.41                             | 1.20                      | 0.31       | 0.59                    |
| Slough and Heathrow              | 0.83                      | 0.54         | 1.38   | 1.71   | 3.22               | 1.36                               | 0.95                             | 0.87                      | 0.74       | 1.46                    |
| Southampton                      | 0.60                      | 0.33         | 1.35   | 0.65   | 0.82               | 1.02                               | 0.72                             | 0.65                      | 0.58       | 0.86                    |
| Southend                         | 0.39                      | 1.05         | 0.48   | 0.79   | 0.63               | 0.80                               | 0.55                             | 0.85                      | 0.63       | 0.70                    |
| Stevenage and Welwyn Garden City | 0.48                      | 0.94         | 0.60   | 0.69   | 0.56               | 0.67                               | 0.22                             | 0.77                      | 0.47       | 0.61                    |
| Swindon                          | 0.64                      | 0.13         | 0.50   | 0.46   | 0.40               | 1.10                               | 0.75                             | 0.95                      | 0.49       | 0.81                    |
| Trowbridge                       | 0.87                      | 1.48         | 0.48   | 0.60   | 0.46               | 1.02                               | 0.40                             | 0.54                      | 0.43       | 0.78                    |
| Tunbridge Wells                  | 1.04                      | 1.32         | 2.16   | 1.05   | 0.85               | 0.97                               | 0.19                             | 1.20                      | 1.33       | 1.02                    |
| Warrington and Wigan             | 0.24                      | 0.23         | 0.67   | 0.27   | 0.22               | 0.51                               | 0.31                             | 0.25                      | 0.12       | 0.38                    |
| York                             | 0.25                      | 0.26         | 1.06   | 0.60   | 0.55               | 0.88                               | 3.40                             | 1.37                      | 0.22       | 0.86                    |

Source: Authors' elaboration from ONS Business Register and Employment Survey 2024

These figures show some of the sectors in which creative clusters have some specialisations, but these are not necessarily the only possible measures. Variations between SIC code classifications and the interdependencies between different sectors mean that these classifications are helpful, but are most usefully interpreted alongside other evidence to show sector specialisation.

This section has presented an overview of regional and cluster-level performance for the creative industries, highlighting both persistence and some change in the national picture, and underscoring the variations in growth and activities within existing creative clusters. Section 3 will explore how linkages between universities and creative businesses are distributed among creative clusters.

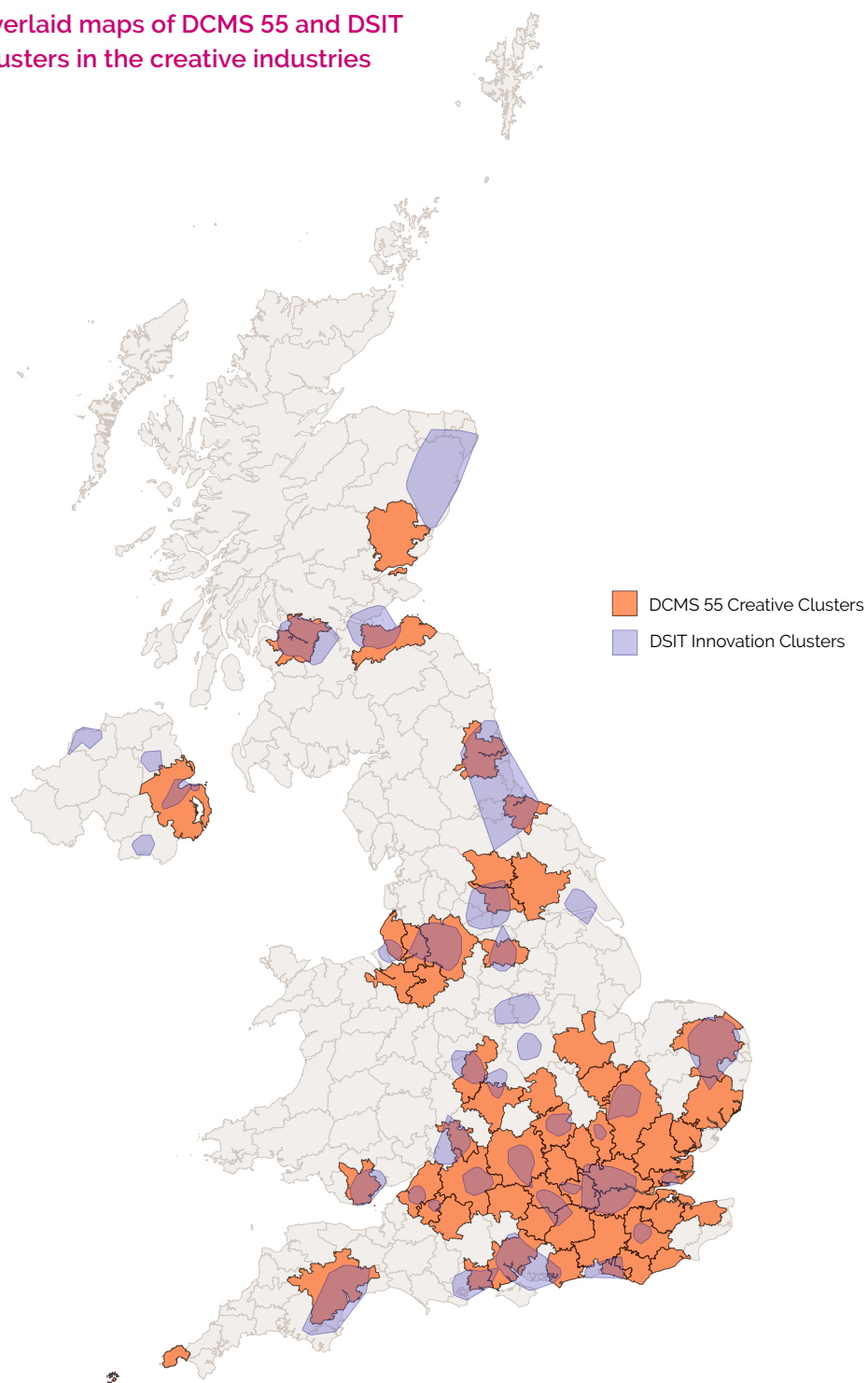
### Text Box 2.1: Comparing DCMS 55 clusters with DSIT innovation clusters

There are many methodologies that can be used to identify clustering or agglomeration. In this report, we do not attempt to explicitly identify clusters using new methodologies, but instead use existing identified clusters to capture trends. The approach we use for our data analysis in this report is based on the fifty-five creative clusters identified by DCMS (Frontier Economics, 2022), at the TTWA level, largely because this approach is standardised and comparable across years. As we discussed earlier in Section 1, an alternative approach has been used by DSIT. Their interactive map uses data based on various innovation metrics to capture twenty-eight creative industries

clusters linked to the statistical probability of higher co-location of innovation active companies. It also allows mapping of Real-Time Industrial Classification (RTIC) sectors, which have been developed by The Data City to use data from company websites in order to identify new and rapidly changing sectors.

How do the two different maps of creative clusters published by the UK government compare? In order to explore this question, we overlay the two maps in Figure 2.7. This shows that while the TTWA definition covers a much broader boundary (including nearly all the South East of England), the spaces captured in the DSIT map are substantially smaller.

Figure 2.7: Overlaid maps of DCMS 55 and DSIT innovation clusters in the creative industries



Source: Authors' elaboration from Frontier Economics (2022) and DSIT (2025)

Our analysis shows that thirty-seven of the fifty-five DCMS creative clusters (67.3%) spatially overlap with at least one DSIT creative industries innovation cluster, suggesting a substantial geographical alignment between the two clustering systems. This disparity also points to important tensions in how place-based policies for creative industries are designed and executed. The fifty-five creative clusters are based on LQs within commuting zones, highlighting overall levels of specialisation across a TTWA and the overall level of creative employment. By contrast, the DSIT data is based on proximity of innovation active companies,<sup>6</sup> and the location where these companies are statistically more likely to be located. Both approaches are important, but they address slightly different questions: the DCMS definition captures specialisation in labour markets, while the DSIT definition captures proximity of innovation active firms.

From a policy perspective, these two approaches imply different intervention logics. Policies targeting the fifty-five DCMS creative clusters are likely to be primarily oriented towards supporting areas with an already established concentration of creative employment, for example through labour market interventions such as skills development and creative workforce retention. By contrast, policies focusing on DSIT innovation clusters are more likely to prioritise strengthening innovation ecosystems, including support for firm collaboration, knowledge spillovers and innovation infrastructure.

Recognising these differences is important, in order to ensure that place-based creative industries strategies are appropriately aligned with the specific mechanisms through which creative clustering emerges and evolves. The challenge will be ensuring that interventions are coordinated between these and other interventions.

One of the other features of the DSIT map is the inclusion of emerging sub-sectors, as mapped through The Data City's RTICs. The DSIT map also uses the same clustering technology to map concentrations of individual RTICs. We also map these RTIC clusters against the creative clusters identified by DCMS. We compare the list of RTICs on the DSIT map with the list of company tags used to identify creative industries in Bakhshi et al. (2026) and identify ten RTICs on the DSIT map with substantial creative industries activity: Digital Creative Industries; Agency Market (i.e. digital agencies); Media and Publishing; Software Development; Immersive Technologies; Streaming Economy; Gaming; Software as a Service (SaaS); Advanced Screens; and AdTech. We find that the degree of overlap varies across RTICs. Digital Creative Industries exhibit the strongest spatial alignment with DSIT innovation clusters, while several sub-sectors show much weaker overlap. Gaming, SaaS and Advanced Screens each exhibit overlap rates below 50%. Notably, AdTech shows the lowest level of alignment, with only 9.1% of clusters overlapping (see Table 2.7).

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6. DSIT identifies innovation active companies as those that applied for an IUK grant between April 2015 and July 2025; received a non-IUK UKRI grant between January 2006 and June 2024; have a positive 'Innovation Score' from The Data City; or are conducting R&D, as identified by the Business Enterprise Research and Development Survey. Full details of the methodology behind the DSIT approach are available at: <https://www.gov.uk/government/publications/innovation-clusters-map-summary-and-methods/innovation-clusters-map-summary-and-methods#business-data-used-to-create-clusters>

**Table 2.7: Overlap between DCMS 55 and RTIC clusters on the DSIT map**

| DSIT Emerging Sub-sectors    | Overlap Share (%) |
|------------------------------|-------------------|
| Digital Creative Industries  | 81.8%             |
| Agency Market                | 78.2%             |
| Media and Publishing         | 65.5%             |
| Software Development         | 63.6%             |
| Immersive Technologies       | 56.4%             |
| Streaming Economy            | 52.7%             |
| Gaming                       | 45.5%             |
| Software as a Service (SaaS) | 41.8%             |
| Advanced Screens             | 40.0%             |
| AdTech                       | 9.1%              |

Source: Authors' elaboration based on Frontier Economics (2022) and DSIT (2025)

In Table 2.8, we show for each of the DCMS 55 clusters whether they are in a DSIT creative industries cluster, or whether they contain any of the RTIC clusters identified on the map. We count a TTWA as overlapping if a DSIT innovation cluster or DSIT emerging sub-sector cluster overlaps with any part of the TTWA's boundaries.

**Table 2.8: DCMS 55 clusters with DSIT innovation clusters overlap**

| Sector                       | Count of DCMS 55 TTWAs | % DCMS 55 TTWAs |
|------------------------------|------------------------|-----------------|
| DSIT Innovation Cluster      | 37                     | 67.3%           |
| Digital Creative Industries  | 45                     | 81.8%           |
| Agency Market                | 43                     | 78.2%           |
| Media and Publishing         | 36                     | 65.5%           |
| Software Development         | 35                     | 63.6%           |
| Immersive Technologies       | 31                     | 56.4%           |
| Streaming Economy            | 29                     | 52.7%           |
| Gaming                       | 25                     | 45.5%           |
| Software as a Service (SaaS) | 23                     | 41.8%           |
| Advanced Screens             | 22                     | 40.0%           |
| AdTech                       | 5                      | 9.1%            |

Source: Authors' elaboration based on Frontier Economics (2022) and DSIT (2025) data

## 3 University–industry links in creative clusters

The 2025 Creative Industries Sector Plan is one of the sectoral plans introduced as part of the UK government's Industrial Strategy. It builds on the aims of the Industrial Strategy and DCMS's objectives to set a strategic plan to guide the growth of the creative industries. Both the Industrial Strategy overall and the Creative Industries Sector Plan highlight the importance of universities in driving innovation and growth. There are many ways in which universities may provide economic benefits to businesses, beyond the direct training of graduates: by producing intellectual property (IP) that is then spun out into companies; by collaborating with businesses on R&D; by sharing knowledge and expertise with businesses; and by playing a convening role in local ecosystems. This section explores the ways in which university–industry initiations are distributed within creative clusters.

This is an important topic because universities are increasingly relied upon to drive local economic development. The extent to which these interventions benefit local areas therefore has real implications for the success and growth of local clusters. This section therefore explores the prevalence of creative industries spinout firms from universities, collaborative research between universities and business, and KTPs. It also presents data with insights from the first AHRC CICP, highlighting the need for flexibility and local and sectoral knowledge to support local clusters.

The analysis in this section complements the findings of our previous Creative PEC State of the Nations report (Siepel, 2025), which explored direct public support for creative industry businesses through IUK, and which documented the increasingly broad regional distribution of IUK support. It also highlights that the majority of IUK awards are flowing to businesses in the UK's creative clusters. This section continues this analysis by exploring how these university-based interventions have are associated with creative clusters.

## 3.1 Creative industries spinouts

Spinouts refer to cases where a piece of IP or a business idea is generated by an academic through their research and is then 'spun out' into an independent business (Mathisen and Rassmussen, 2019; Royal Academy of Engineering and Beauhurst, 2025). Spinouts (also occasionally called spin-offs) have become an important metric for universities, as a signal for universities' ability to produce and commercialise valuable research. Recent policy reviews, including the Tickell Report (2022) and Hickson Report (2026), have highlighted the importance of commercialisation and spinouts for strengthening the UK innovation ecosystem.

Although spinouts are frequently cited as being important, there is comparatively little evidence about the extent to which spinouts are a major phenomenon in the creative industries. Analysis of the Beauhurst data in Bakhshi et al. (2026) finds that, when comparing the creative industries with Life Sciences and Advanced Manufacturing – two other sectors from the UK Industrial Strategy – there were 96 spinouts in Creative Industries, compared to 821 spinouts in Life Sciences and 140 in Advanced Manufacturing. This disparity between Creative Industries and Life Sciences should not be particularly surprising, given the UK's strong profile in the commercialisation of university research, where a well-structured venture capital system that facilitates the commercialisation and scaling of life sciences IP is necessary. The system that enables the

commercialisation of life science spinouts also means that the support structures in place may not be particularly developed to support creative industry businesses.

For our analysis in this report, we use a dataset on spinouts produced by HESA (2026). This dataset was based on disclosures about spinouts made by all UK universities, resulting in an authoritative dataset of 2,430 spinouts<sup>7</sup> from 2004 to 2025, of which 1,843 were active in 2026.<sup>8</sup> According to the HESA data and classification by SIC codes, there were 167 active creative industries spinouts, 9% of all spinouts currently active in the UK.<sup>9</sup> This figure is in line with the share of businesses in the creative industries, but is higher than the findings of Bakhshi et al. (2026), who used the Beauhurst data and identified only 96 spinouts. This is because the Bakhshi et al. (2026) data required spinouts, in addition to having SIC codes in the creative industries, to also have 'tags' associated with creative industries, as allocated by Beauhurst based on company websites and other data. Of the 167 active creative industries spinouts, 65 were active but did not have a live website as of June 2026. This suggests that many 'spinouts', while technically operational, may not be active enough to meet minimum 'high-growth potential' status. We report below on the list of firms with live websites, but note that the general distributions for sector and location are similar between all spinouts and only those with websites.

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7. Details of the HESA methodology are available at: <https://www.hesa.ac.uk/data-and-analysis/business-community/spin-out-register>. The definition of 'spinouts' used is relatively strict and refers to commercialisation of university-derived IP, whereas this may well undercount other businesses founded by or involving academics using expertise but not university IP. It also does not count businesses founded by students or alumni, which are certainly more numerous than those captured in the definition here.
  8. HESA classifies whether firms are inactive, but this classification differs from measures of inactivity seen in Companies House records, which classify more firms as being inactive than the HESA classification. We therefore classify as 'active' those firms that are active in both HESA and Companies House.
  9. This figure varies based on the definition used. We use a definition of firms where all the SIC codes are based in the creative industries, in line with Bakhshi et al. (2026)

The HESA Spin-out Register data reveals that among active creative industries' spinouts with websites, most spinouts are in IT, Software and Computer Services, with 88% of all spinouts in this sector. Among the remaining sectors, Music, Performing and Digital Arts (5%) and Design and Designer Fashion (3%) are the next most frequent. This preponderance of IT, Software and Computer Services firms is partially explained by HESA data that codes the academic department of founders. Within spinouts in the creative industries SIC codes, 81% were founded by academics from a Physical Sciences or Engineering background; 15% from a Medicine or Life Sciences background; 11% from Arts and Humanities; and 5% from Social

Sciences. This indicates that, in line with the findings of Bakhshi et al. (2026), many of these spinouts might be in creative industries SIC codes, but might also have activities outside the creative industries, for instance life science companies whose products include software.

Among the spinouts for which location data was available, 91% are currently located in creative clusters. Table 3.1 shows the TTWAs in which creative industries spinouts are currently based. Several notable insights are revealed by this table. First, while London has the most creative spinouts, it is notable that Dundee and Edinburgh each have the third-highest number over the two-decade period covered in the data.

**Table 3.1: Active university spinouts in the creative industries sectors located in creative clusters**

| TTWA Name                                                                                                                                                                                                                                                                              | Active Creative Industries Spinouts with Live Websites |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| London                                                                                                                                                                                                                                                                                 | 20                                                     |
| Cambridge                                                                                                                                                                                                                                                                              | 9                                                      |
| Dundee; Edinburgh                                                                                                                                                                                                                                                                      | 8                                                      |
| Sheffield                                                                                                                                                                                                                                                                              | 5                                                      |
| Manchester                                                                                                                                                                                                                                                                             | 4                                                      |
| Glasgow; Leeds; Oxford                                                                                                                                                                                                                                                                 | 3                                                      |
| Belfast; Birmingham; Brighton; Leicester; Liverpool; Newcastle; Nottingham; Southampton; Tunbridge Wells                                                                                                                                                                               | 2                                                      |
| Bath; Bournemouth; Bristol; Crawley; Derby; Dudley; Eastbourne; Exeter; Guildford and Aldershot; Huntingdon; Inverness; Medway; Milton Keynes; Slough and Heathrow; St Austell and Newquay; Stevenage and Welwyn Garden City; Swansea; Swindon; Trowbridge; Warrington and Wigan; York | 1                                                      |

Source: Authors' elaboration from HESA Spinout Register 2026 and Companies House records. Each TTWA has the number of spinouts indicated, so Glasgow, Leeds and Oxford each have five.

Table 3.2 lists all the universities that have produced more than two active creative industries spinouts with websites, according to the HESA data. It is notable that while Cambridge has the most active spinouts, only one of the spinouts on the list derived from the Arts and Humanities faculty, with the rest coming from either Engineering and Physical Sciences or Medicine. By contrast, the spinouts from Abertay University were all reported

by HESA as coming from both the Arts and Humanities and the Engineering and Physical Science faculties. We also report the share of spinouts that have remained in the same area versus those that have moved. Of those that have moved, London was the most common destination (for ten of the forty-six companies), but otherwise the list of destinations was diffuse; a complete list of destinations can be found in the Appendix.

**Table 3.2: Universities producing more than two active creative industries spinouts with live websites and location of spinouts**

| University Name                 | Number of Spinouts | Spinouts in Same TTWA as University | Spinouts in Different TTWA |
|---------------------------------|--------------------|-------------------------------------|----------------------------|
| University of Cambridge         | 15                 | 7                                   | 8                          |
| Abertay University              | 7                  | 5                                   | 2                          |
| University of Edinburgh         | 6                  | 5                                   | 1                          |
| University of Oxford            | 6                  | 3                                   | 3                          |
| University of Manchester        | 5                  | 2                                   | 3                          |
| University College London       | 5                  | 3                                   | 2                          |
| Royal College of Art            | 4                  | 3                                   | 1                          |
| University of Bristol           | 4                  | 1                                   | 3                          |
| Queen Mary University of London | 3                  | 3                                   | 0                          |
| University of Leeds             | 3                  | 3                                   | 0                          |
| University of Sheffield         | 3                  | 3                                   | 0                          |
| University of Surrey            | 3                  | 1                                   | 2                          |

Source: Authors' elaboration from HESA Spin-out Register 2026 and Companies House records

Overall, this analysis provides several insights. First, it highlights the scope of spinouts in the creative industries, which is lower than other IS-8 sectors but in line with the share of creative industries firms in the economy overall. While there is a role for spinouts to play, their contribution to the growth of the creative industries is much more limited compared to universities' broader role in training and building human capital for the sector overall.

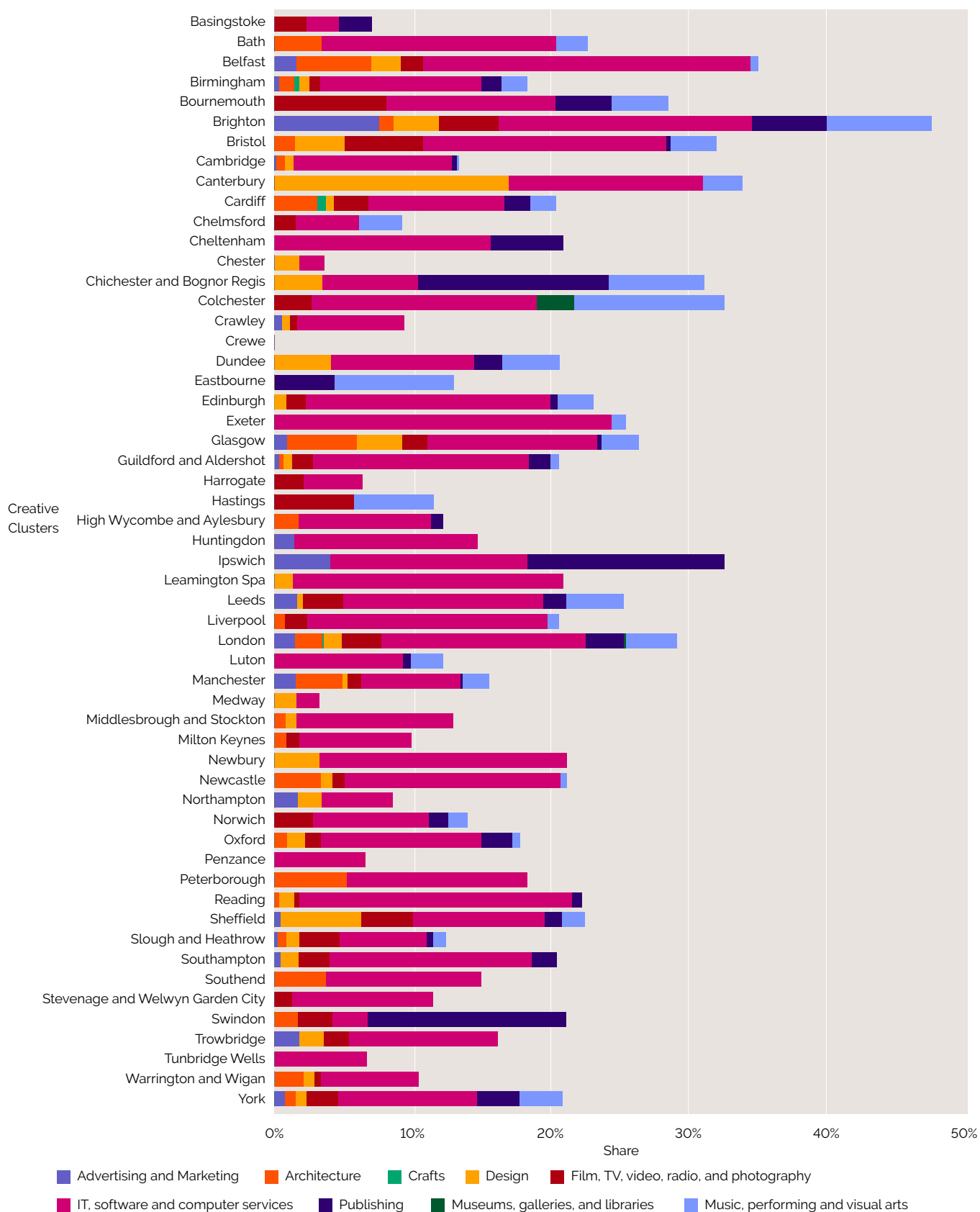
This notwithstanding, university spinouts from the creative industries often stay within the area of the university in which they were originally founded. However, the analysis also shows that in some cases, extended close engagement between universities and local creative sectors can produce higher numbers of spinouts, resulting in a richer basis for driving engagement with the creative sectors.

## 3.2 Collaborative research and development

While direct grants to businesses to support innovation and R&D, as used widely by IUK, are one means of supporting innovation among businesses, another involves encouraging collaboration on research projects undertaken by universities. Research funding calls often require or incentivise academic researchers to work with non-academic partners. In the context of the creative industries, collaboration with universities is one way to capture engagement between universities and businesses. We explore the nature of these collaborations for the creative industries using data from DSIT's GtR+ dataset, which enhances the standard UKRI GtR data by including cleaned and harmonised company registration numbers. These collaborations capture cases where a company is listed as a partner on a successful bid for funding from a research council. For example, if a university bid for funding from the Arts and Humanities Research Council and included a creative industries firm as a research partner for the project, this would be captured in the data. Having identified all the creative industries firms participating in research projects in the data by linking these using company registration numbers, we find that 84% of UKRI research council-funded projects involving creative industries firms involve a firm within a creative cluster. In interpreting these figures, it is important to note that this measure only captures the participation of creative industries firms in projects, including those not necessarily related to creative industries topics. A more precise measure of creative industries projects, and the impact of these, will be discussed in Creative PEC research by forthcoming research.

We also explore the prevalence of the creative industries as recipients of research council funding within different clusters. Figure 3.1 shows the share of all research council awards going to creative industries firms, and the distribution of creative industries sub-sectors in those awards. Brighton, Belfast, Canterbury, Colchester and Ipswich have the highest overall shares of awards received by local companies. This indicates that where research council funding flows to companies in these areas, a greater share of all such funding flows to creative industries firms. Considering that creative industries firms make up approximately 10% of the economy, those places with shares above 10% could be interpreted as being more likely than the national average to receive research council funding for creative industries firms. Figure 3.1 also shows the sectoral distribution of these awards. This can indicate local specialisation. For instance, all the research council funding going to creative industry businesses in Leamington Spa goes to firms in the IT, Software and Computer Services sector, which includes Gaming, an area where the Leamington Spa cluster has a substantial advantage. Although IT, Software and Computer Services make up a high share of creative industries firms in most clusters (which may reflect participation in non-creative projects, as discussed above), the sectoral variation between clusters is notable. For example, Swindon has a disproportionate share of research council funding to businesses in the publishing sector, while in Peterborough there are more awards to architecture firms, and in Canterbury more funding for design.

**Figure 3.1: Creative industries sector composition of research council funding partners, per creative cluster**



Source: Authors' elaboration from GtR+ data 2026 and Companies House records

The involvement of creative industry businesses in research council-funded collaborations with universities is only a partial measure of cluster activity, as businesses might collaborate with universities in other places rather than local universities – if they have a local university at all. To better explore this, we examined all research council-funded collaborations involving creative industries firms and compared the TTWA in which the creative firm was headquartered with the TTWA of the university or universities involved in the project. We then calculated whether any of the universities in a given project were local to the creative industries firm involved in the project. Table 3.3 below shows the ten TTWAs where research council-funded collaborations involving creative industries firms were most likely to involve local collaborations. The table shows variations in the number of research council-funded collaborations, but also highlights that in some clusters, notably York, Newcastle, Belfast and Edinburgh, more than half of these collaborations involving creative industries firms involve local universities. This can be interpreted two ways – on one hand, these TTWAs suggest that at least some research projects at universities in these TTWAs align with

the work of local creative businesses. Outside these places, lower shares for collaboration with local universities may simply signal broader collaboration across wider geographies than within a single cluster (for instance, Guildford TTWA, where one quarter of collaborations with creative firms involve local universities, is within close proximity to London universities, which might offer a range of other cooperation opportunities). Indeed, for businesses in some TTWAs there is no local university so any collaboration would necessarily involve collaboration outside the local cluster. Also, research collaboration is only one form (and indeed often a specialised form) of university engagement, so universities may have a range of strong partnerships with the private sector separate from formal, research council-funded collaborations. We also note that although several of the clusters in Table 3.3 were involved in the AHRC Creative Clusters programme, this data does not count those participants as the GtR+ data used includes companies that were listed as collaborators at the bidding stage of research grants, rather than those that were awarded through the grants.

**Table 3.3 Research council-funded collaborations involving creative industries firms, by TTWA of creative industries firms, and share of collaborations involving universities in the same TTWA**

| TTWA      | Number of research council collaborations | % Collaborations involving local universities |
|-----------|-------------------------------------------|-----------------------------------------------|
| York      | 23                                        | 70%                                           |
| Newcastle | 41                                        | 61%                                           |
| Belfast   | 49                                        | 59%                                           |
| Edinburgh | 102                                       | 55%                                           |
| Liverpool | 20                                        | 50%                                           |
| Sheffield | 37                                        | 49%                                           |
| Dundee    | 11                                        | 46%                                           |
| Bristol   | 177                                       | 45%                                           |
| London    | 856                                       | 43%                                           |
| Glasgow   | 94                                        | 40%                                           |

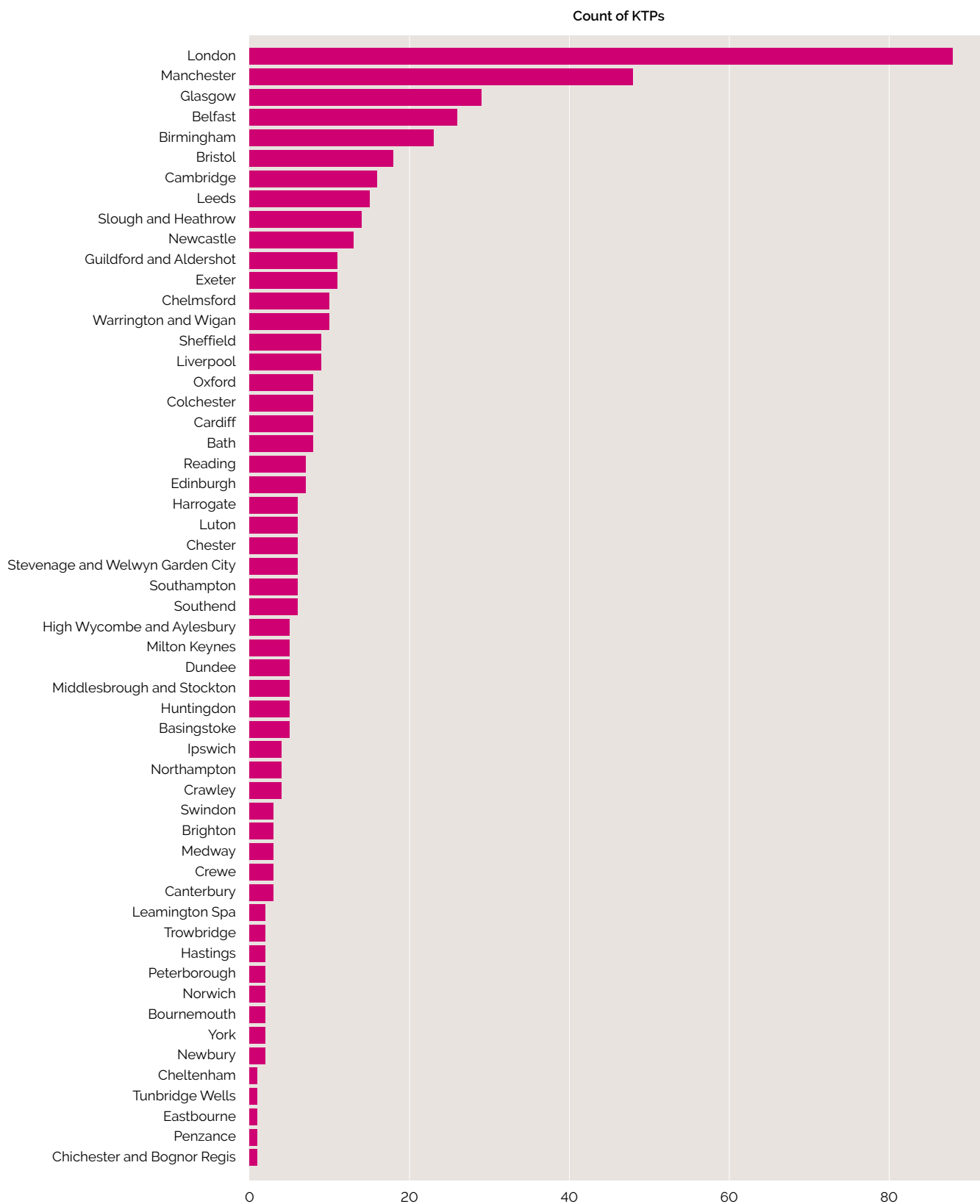
Source: Authors' elaboration from GtR+ and Companies House data

### 3.3 Knowledge Transfer Partnerships

Another key means by which universities can engage with business is through KTPs. These are arrangements, whereby one or more businesses receive funding support for an explicit partnership to gain knowledge and experience from a university partner. Knowledge Transfer Partnerships can be a useful tool for knowledge sharing, particularly in sectors that rely on technical expertise, but to our knowledge there is little evidence about the prevalence of KTPs in the creative industries. To explore this question, we used the DSIT GtR+ database of all public interventions

coded as being KTPs on the GtR portal. These mostly include funding from IUK, but also include KTPs from some other sources. Of the 1,111 KTPs in the dataset, 140, or 13%, involved creative industries firms as partners. Of those, 87% were in creative clusters. Figure 3.2 shows the number of KTPs for the creative industries within the UK's creative clusters. It highlights that the areas with the highest number of KTPs are typically the largest creative clusters, with London, Manchester, Glasgow, Belfast, Birmingham and Bristol having the most KTPs, and with a longer tail following these.

**Figure 3.2: Number of KTPs in DCMS 55 creative clusters**



Source: Authors' elaboration from DSIT GtR+ data 2026 and Companies House records

Across the data on spinouts, research collaborations and KTPs presented above, there is consistent evidence that the same universities are engaging across these different modes of engagement and commercialisation. The prevalence of high levels of university–industry interactions in a handful of clusters points to the benefits that can come from the development of strong university-level technology transfer mechanisms, which can incentivise commercialisation and provide expertise to allow university-derived knowledge to be scaled up. Likewise, other universities in major creative clusters, such as in Manchester, also benefit from scale economies in commercialisation. It is also possible, however, that these places benefit from their starting high levels of research funding and status. It is therefore notable that the ESRC/AHRC SHAPE

Catalyst programme delivered by the ARC Accelerator has attempted to build capacity for specialist spinouts from SHAPE disciplines across institutions, rather than requiring specialist knowledge within institutions, which might not otherwise be feasible.

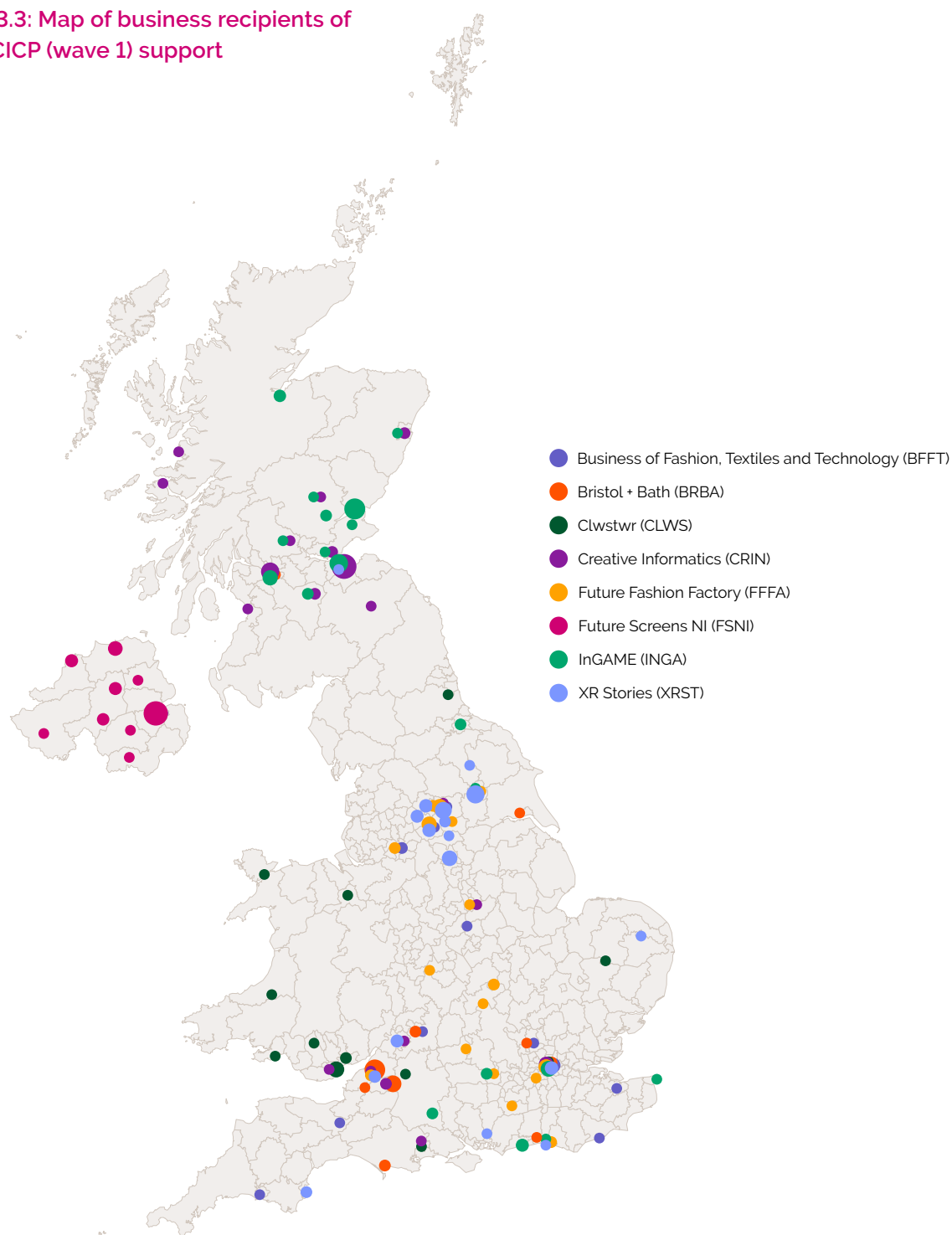
More broadly, it is important to note that these are only some of the forms that university–industry engagement may take. A full commercialisation capability for driving the collaborations, commercialisation and spinouts needed to support growth in sectors such as Life Sciences, may not necessarily be the most appropriate for a given creative cluster. In order to build evidence on this, we next examine data from the AHRC CICP, which encourages its clusters to develop bespoke solutions for the clusters and sectors they are targeting.

### Text Box 3.1: AHRC Creative Industries Clusters Programme

Among local university-based interventions to support creative clusters, the AHRC CICP is the most prominent. The programme funds university-led support for local clusters in an integrated way, drawing on a range of interventions to best suit the needs and demands of the local clusters. The first round of the programme, which ran from 2018 to 2023, provided support to nine creative clusters, with two other clusters announced in 2025 and a full competition for new clusters underway at the time of writing. The first round of CICP has been thoroughly evaluated (Frontier Economics and BOP Consulting, 2024), but given the ongoing use of the format there are some significant insights that data from the first programme can reveal, particularly for the requirements of a suite of locally determined solutions to meet local needs.

One example relates to the location of recipients targeted. The funding opportunity asked for proposals to target a specific geography and/or creative sub-sector. Different clusters interpreted this differently. Some, such as Future Fashion Factory based at the University of Leeds, targeted broadly across fashion supply chains in West Yorkshire but also across the UK. Others, such as the Bristol + Bath Creative R&D cluster, focused on a particular region. In all cases, the geographical scope of the intervention varied. Figure 3.4 maps the businesses that received support from CICP, showing the range of locations of beneficiaries' registered headquarters. Each circle shows the presence of supported businesses within a TTWA, with larger circles indicating more businesses being supported. The map shows the distribution of beneficiaries across the UK, often radiating from the clusters, indicating the ability of the leads from each cluster to identify businesses that were well placed to benefit from support.

**Figure 3.3: Map of business recipients of AHRC CICP (wave 1) support**



Source: Authors' elaboration from AHRC CICP data. Circles are located in the centroids of each TTWA to avoid disclosure.

Within the CICP, each cluster was given substantial flexibility in the operational approaches used to address the problems identified locally. A range of tools were available, with the typology used presented in Table 3.4.

Table 3.4 includes an analysis of the different modes of support using evidence provided by the AHRC. The table shows the number of interventions for each model of R&D support.

It is notable that there is a vast range of modes of intervention used by the clusters on this scheme, some of which fit a standard definition of university–industry policy support (e.g. KTPs,

as discussed above), and some of which are based on more intangible, capacity-building approaches.

**Table 3.4: R&D typology and number of awards made**

| R&D Typology                                           | Definition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Awards Made |
|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Open call                                              | Monetary awards are made to industry based on an open call, including responsive mode funding.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 350         |
| Challenge-based industry funding                       | Monetary awards are given to industry or industry–higher education institution partnerships based on a challenge call, rather than commissioned. Not necessarily open to everyone, but competitive.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 173         |
| Lead customer-centred challenge-based industry funding | Monetary awards are made to smaller companies and collaborators (possibly with co-investors) to provide R&D related to an umbrella project sponsored and defined by one or more large industry partners who contribute funds and/or resources (IP, staff time, etc.) as leverage to support the project.                                                                                                                                                                                                                                                                                                                                                                                                                         | 28          |
| Labs and experts                                       | Post-doctoral research fellows, co-investors, PhDs, post-doctoral research assistants and master's students engage in exploration, prototyping/piloting in response to well-defined industry needs and/or programme themes for the benefit of industry/the cluster. Includes ideation events led by academics with industry. May involve industry fellows.                                                                                                                                                                                                                                                                                                                                                                       | 103         |
| Voucher-based industry support                         | Awards of non-monetary resources (services, expertise, etc.) from a higher education institution worth a specified value are given to a small and medium-sized enterprise through a competitive process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 74          |
| Skills, incubators and residency programmes            | Individuals participate in a structured programme of learning focused on skills, product or service development, or research capabilities. Distinct from labs, these are not primarily academic-led explorations. May include introductions to investors and investment-related themes. May be challenge-led or open to the community. May include a stipend.                                                                                                                                                                                                                                                                                                                                                                    | 171         |
| Industry fellows                                       | Embedded placements and industry support provided to academia, in order to gain knowledge and build capabilities, and bring understanding of industry challenges to the research environment. If we determine that industry fellows only exist where a 'lab' is occurring (see labs and experts model above), we may be able to eliminate this model.                                                                                                                                                                                                                                                                                                                                                                            | 24          |
| KTPs and KTP-like programmes                           | Embedded placements and academic support provided to industry, including internships. The activity is focused on embedding or providing assistance to industry, rather than more open exploratory R&D. The company receiving the placement/support defines the need.                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 82          |
| Cluster R&D capacity development                       | Programmes, events and meetings organised to increase the overall knowledge base, interconnectivity and potential of the cluster to excel at R&D and increase productivity. Distinct from skills, incubators and residency programmes in being less structured programmes. More likely comprising support provided via one-off meetings, single-topic workshops and other events focused on R&D readiness.<br><br>Some work that could fall within this category might be better incorporated into another R&D project; for example, holding a community discussion as part of scoping a challenge call or lab                                                                                                                   | 150         |
| Evidence, analysis and dissemination                   | Staff gather data (surveys, etc.) and perform analysis to better understand the R&D landscape for the cluster/industry, develop best practices, and to inform the impact and evaluation of the programme. Outputs are published (policy papers, blog posts, articles, presentations, etc.). Note that dissemination activity may also be attached to specific R&D projects, rather than included in a dedicated work package.                                                                                                                                                                                                                                                                                                    | 87          |
| R&D kick-off                                           | For use in reporting on early activities of a Creative R&D Partnership (CRDP), to show costs and leverage arising from programmes of events, consultations, workshops, meetings, etc., kicking off the partnership's multiple R&D programmes (i.e. explaining the various R&D work streams to industry, building engagement that will be subsequently channelled towards specific R&D project efforts). If such kick-off activity is minimal or ad hoc, related expenses and leverage may more logically be placed in the additional expenditure and other expenses sheets. If such kick-off activity is focused on a few specific R&D project(s), the related expenses may more logically be placed in those projects' budgets. | 56          |

We can look more deeply at the funding models used by the different clusters to illustrate the approaches used. It must be noted that the data used here only includes those participants that are businesses (and

not, for instance, freelancers), and therefore it does not capture the full range of activities for each cluster. However, it does illustrate the substantial variety of effective modes of support used by the CICP clusters.

Figure 3.4: Share of R&D models awarded to businesses, by CICP cluster



Source: Authors' elaboration based on AHRC CICP data

As Figure 3.4 shows, there was huge variation in the scheme, with some reaching out to businesses via open calls to competition, while others used KTP approaches, and still others engaged in a mix of different interventions. The key insight to be gleaned from this analysis is that the variety reflects the needs of local businesses and clusters, with the impacts on businesses being documented in the evaluation (Frontier Economics and BOP Consulting, 2024).

More broadly, our analysis of different schemes supporting university–industry relations shows that there is not a single dominant mode of

collaboration for the creative industries. One key insight from the CICP is the many forms of engagement that can be valuable to creative industries (beyond universities' contributions to human capital). We therefore highlight the importance of this flexibility. It is notable that, with reference to the spinouts in Table 3.2, although these cover an extended period before the CICP, the CICP clusters generally appear to have been successful in retaining their spinouts, indicating that these nuanced cluster-building approaches may have helped to build and maintain capacity within clusters.

# 4

## Discussion and conclusion

A changing policy environment presents many new opportunities for place-based interventions for the UK's creative industries. A new round of devolution is expanding MSAs and reforming local government, leading to a greater ability to develop targeted support for individual industries, including creative sectors. At the same time, the Creative Industries Sector Plan has identified local innovation-based growth as a priority, with several new funding streams coming online to support clusters and creative places. Universities are often at the heart of these plans, but little is known about the university-business interaction in creative industries. This report has supported the evidence base by updating evidence on creative clusters and presenting new evidence on university-industry relations.

If the Creative Industries Sector Plan's ambitious goals for growth in the UK's creative industries are to be met, creative clusters will be driving this growth. The fifty-five creative clusters identified by DCMS (Frontier Economics, 2022) represent 84% of employment in creative sectors. The combination of direct support via the Sector Plan and funding streams available to MSAs mean that many clusters will soon have more control over policy to support local growth. This report revisits the UK's creative clusters, building on previous research by Creative PEC and Nesta (Mateos Garcia and Bakhshi, 2016; Mateos Garcia, Klinger and Stathoulopoulos, 2018; Siepel et al., 2020; Siepel, Ramirez Guerra and Rath, 2023). With a policy environment that has shifted substantially since the last State of the Nations report on this topic, *The Geographies of Creativity* (Siepel, Ramirez Guerra and Rath, 2023), our aim has been to provide an update to this research, and – given the importance placed on universities in supporting local growth – to present some new evidence about university-industry interactions in the creative industries. We build on previous analysis concerning the distribution of public support for innovation from IUK and others

(Siepel, 2025) by focusing on several measures of university-industry relations.

The report reveals that the longstanding regional inequalities between London and the South East and the rest of the UK remain persistent, although it is possible that national employment figures reflect post-Covid shifts in worker locations, which make the disparity of worker locations slightly less pronounced. Historical inequalities in business employment and GVA also persist. We present granular data about the UK's fifty-five creative clusters and highlight high levels of growth outside the South East, particularly in the UK's larger cities and in the South West of England, as well as recognising the contribution of the UK's creative microclusters. The report also highlights the policy implications of different mapping methods for capturing creative clusters, comparing overlaps between the fifty-five clusters identified by DCMS and the twenty-eight innovation clusters in the creative industries identified by DSIT. Through this analysis and the underlying data, we hope to build and strengthen the evidence base for local and regional policymaking among these clusters.

As the Sector Plan moves into its implementation phase, the importance of innovation for driving regional growth means that there is likely to be increasing emphasis on the role of universities in delivering economic growth for creative sectors, in addition to their role in forming human capital through education and training. We also explored how interactions and collaborations between universities and businesses have unfolded across the creative clusters in our report. Our analysis reveals that there is a disparity between creative industries spinouts that have previously been identified as high-growth potential firms in Bakhshi et al. (2026) and those that are in creative industries SIC codes, but may not have the activities or configuration to meet this classification. We also explored the relocation of spinouts, finding that while about one half of spinouts remain in the same TTWA as the university from which they spin out, many do not. Our analysis also reveals relatively high levels of spinouts among universities with longstanding and deep

collaborations with local creative industries, for instance, Abertay University and Ulster University. Spinouts from universities outside creative clusters are more likely to relocate to other areas.

With the Creative Industries R&D Strategy for the Creative and Cultural Economy (UKRI, 2026) pointing to a need for place-based R&D, our analysis reveals tremendous variety in the number and characteristics of creative business benefiting from participation in research council-funded projects. We argue that if universities are to commit to supporting local creative clusters, bespoke approaches reflecting local sectoral and cluster needs are important. We use data from the AHRC CICIP's first wave, from 2018 to 2023. Evidence from that programme highlights the importance of local knowledge and decision-making to ensure that modes of specific policy interventions meet local needs and the needs of specific sectors, which may vary substantially.

## 4.1 Policy considerations

The analysis in this report has revealed some important trends and provides some important policy insights that will help to enable the UK's creative clusters to maximise their growth potential and fulfil the growth targets as set out in the Creative Industries Sector Plan. Our analysis leads to four considerations for supporting local growth.

First, our report has discussed the persistence of regional inequalities across the creative industries, albeit with a slight shift in official statistics that may reflect hybrid and home-working patterns among creative workers. This means that while business activity may remain concentrated in London and the South East, workers may be more dispersed. This creates opportunities for areas outside London and the South East to take advantage of skilled human capital based locally but potentially not integrated into existing local clusters.

Second, we find associational evidence that eight of the top fifteen TTWAs for employment growth are areas that are part of an MSA which has explicitly targeted creative industries as a growth sector (i.e. West of England Combined Authority and Cambridgeshire and Peterborough Combined Authority). It is therefore important to recognise the importance of targeted support and intervention across the UK, to ensure that larger clusters can continue to build critical mass, while smaller clusters have access to the resources needed to become stronger and more viable. It is also important to note that there is rapid growth in some parts of the UK not included in the DCMS list of creative clusters, and that some of these areas – particularly in the East Midlands – are also delivering substantial growth, and should be supported in developing their own creative sectors.

Third, we highlight the role of universities in supporting creative clusters to achieve growth potential beyond their role in education and training. Our analysis of spinouts suggests that although there have been creative spinouts in recent years, only a modest number meet the criteria for 'high-growth potential firms', as discussed recently in Bakhshi et al. (2026). Across spinouts, university-business research collaborations and KTPs, we highlight the importance of sufficient institutional capacity to support these types of activities. Pan-institution support for commercialisation is one approach for institutions that lack critical mass. Evidence from the AHRC CICPs points, however, to the importance of bespoke approaches that address the specific cluster and sector needs in a particular area. Many of the frontier technologies highlighted in the UK Industrial Strategy – from robotics to advanced materials and augmented/virtual reality – benefit from the research insights that the creative industries provide, so ensuring that these insights can flow to support innovative UK businesses is vital.

Finally, our report also points to the need for more and better data in mapping clusters and economic activity. We have followed the approach used by previous reports to ensure maximum comparability, but our research faces limitations associated with industry classification and headquarters bias. We anticipate that forthcoming updates to the UK's SIC codes may at least partially address some of these concerns, but there exists a need for more and better data, particularly at a granular level, to ensure that place-based policies and interventions are supported by local evidence.

In conclusion, this report has updated and extended the evidence base around creative clusters, and has highlighted the role and potential for universities to support growth within these clusters. Ensuring that the implementation of the Sector Plan continues to support place-based local growth will allow these creative clusters to further unlock their growth potential and help to build prosperity across the UK.

# Glossary

**AHRC** refers to the UKRI Arts and Humanities Research Council

**CICP** refers to the AHRC Creative Industries Clusters Programme

**DCMS** refers to the Department for Culture, Media and Sport

**DSIT** refers to the Department for Science, Innovation and Technology

**GtR+** refers to the DSIT Gateway to Research+ database

**GVA** refers to Gross Value Added

**HESA** refers to the Higher Education Statistics Authority

**IUK** refers to Innovate UK

**KTPs** refer to Knowledge Transfer Partnerships

**MSAs** refer to Mayoral Strategic Authorities

**ONS** refers to the Office for National Statistics

**R&D** refers to Research and Development

**SIC codes** refer to Standard Industrial Classification codes. These are standardised codes that are used by firms to self identify the sector(s) in which they operate.

**TTWAs** refer to Travel to Work Areas. These are commuting zones in which approximately 80% of the population live and work in the same area, as defined by the ONS.

**UKRI** refers to UK Research & Innovation, the umbrella body funding research and innovation activities in the UK, including Innovate UK and the research councils.

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# Data statement

## AHRC Creative Industries Clusters Programme (CICP)

Fig. 3.3, 3.4, 3.5

This data is not publicly accessible.

## Business Register and Employment Survey (BRES)

This data is publicly available through the Nomis platform: [www.nomisweb.co.uk](http://www.nomisweb.co.uk)

## Companies House

Fig. 3.1, 3.2, 3.3, Table 3.1, 3.2

This data was accessed using the commercially available FAME platform, provided by Moody's.

## DCMS Regional Employment Statistics

Fig. 2.1, Table 2.1, 2.2

This data is available at: <https://www.gov.uk/government/statistics/economic-estimates-employment-january-2024-to-december-2024-for-dcms-sectors/dcms-sector-economic-estimates-employment-january-2024-to-december-2024>

## DCMS Regional GVA Statistics

Fig. 2.3, Table 2.3

This data is available at: <https://www.gov.uk/government/statistics/dcms-economic-estimates-gva-2024-provisional>

## DSIT Gateway to Research+

Fig 3.1, 3.2, 3.3

This data is not publicly available, but is available upon request and approval from DSIT.

## DSIT Innovation Clusters

Fig 2.7, Table 2.7, 2.8

This data is available from <https://www.innovationclusters.dsit.gov.uk/>

## HESA Spin-out Register statistics

Table 3.1, 3.2

These are publicly available at: <https://www.hesa.ac.uk/data-and-analysis/business-community/spin-out-register>

## UK Business Counts

Table 2.3

This data is available on the Nomis platform, available at <https://www.nomisweb.co.uk>

# Appendix

**Table A1: Creative industries' GVA as a share of regional GVA, 2010, 2019, 2020 and 2023**

|                          | 2010        | 2019        | 2020        | 2023        |
|--------------------------|-------------|-------------|-------------|-------------|
| North East               | 15%         | 19%         | 19%         | 21%         |
| North West               | 31%         | 3.3%        | 3.4%        | 3.3%        |
| Yorkshire and the Humber | 2.4%        | 2.5%        | 2.4%        | 2.5%        |
| East Midlands            | 2.4%        | 2.5%        | 2.4%        | 2.4%        |
| West Midlands            | 2.6%        | 2.7%        | 2.7%        | 2.7%        |
| East                     | 3.3%        | 3.6%        | 3.5%        | 3.2%        |
| London                   | 10.2%       | 11.5%       | 11.7%       | 11.6%       |
| South East               | 5.9%        | 5.9%        | 6.3%        | 5.9%        |
| South West               | 3.0%        | 2.7%        | 3.0%        | 2.9%        |
| Wales                    | 2.0%        | 1.6%        | 1.5%        | 1.6%        |
| Scotland                 | 2.4%        | 2.7%        | 3.0%        | 2.9%        |
| Northern Ireland         | 2.6%        | 2.9%        | 2.9%        | 3.0%        |
| <b>All UK</b>            | <b>4.7%</b> | <b>5.3%</b> | <b>5.5%</b> | <b>5.3%</b> |

Source: Authors' elaboration from DCMS Economic Estimates for GVA 2010, 2019, 202, 2023

**Table A2: Employment growth by nation and region, 2022–2024**

|                          | Creative Industries | ALL UK Sectors | Advertising and marketing | Architecture | Crafts      | Design and designer fashion | Film, TV, radio and photography | IT, software and computer services | Publishing  | Museums, Galleries and Libraries | Music, performing and visual arts |
|--------------------------|---------------------|----------------|---------------------------|--------------|-------------|-----------------------------|---------------------------------|------------------------------------|-------------|----------------------------------|-----------------------------------|
| North East               | 6%                  | 2%             | 55%                       | 65%          | c           | -19%                        | 19%                             | 8%                                 | -20%        | 124%                             | -28%                              |
| North West               | 7%                  | 2%             | 9%                        | 45%          | c           | -15%                        | -19%                            | 10%                                | -24%        | 39%                              | 40%                               |
| Yorkshire and The Humber | 0%                  | 0%             | -10%                      | 160%         | c           | 19%                         | -33%                            | 0%                                 | -6%         |                                  | 8%                                |
| East Midlands            | -7%                 | 1%             | -13%                      | -11%         | c           | 22%                         | -19%                            | -5%                                | -49%        |                                  | 35%                               |
| West Midlands            | -3%                 | 0%             | 121%                      | -33%         | c           | -17%                        | -2%                             | 1%                                 | -32%        |                                  | -3%                               |
| East                     | 9%                  | -2%            | 7%                        | -1%          | c           | 32%                         | -37%                            | 23%                                | -21%        |                                  | -9%                               |
| London                   | 1%                  | 1%             | 16%                       | 10%          | c           | 26%                         | 1%                              | -8%                                | -32%        |                                  | 18%                               |
| South East               | -5%                 | 2%             | -26%                      | 38%          | c           | 15%                         | -32%                            | -8%                                | 7%          |                                  | 26%                               |
| South West               | -4%                 | 1%             | -7%                       | 3%           | c           | -14%                        | 33%                             | -6%                                | -22%        | 27%                              | -15%                              |
| Wales                    | 4%                  | 0%             | 84%                       | -43%         | c           | 15%                         | -40%                            | 6%                                 | 42%         |                                  | 43%                               |
| Scotland                 | 5%                  | 2%             | 33%                       | 28%          | c           | -33%                        | -11%                            | 4%                                 | -19%        |                                  | 14%                               |
| Northern Ireland         | 13%                 | 4%             | 76%                       | -48%         | c           | 38%                         | 41%                             | 41%                                | -47%        |                                  | -8%                               |
| <b>Total</b>             | <b>1%</b>           | <b>1%</b>      | <b>9%</b>                 | <b>15%</b>   | <b>220%</b> | <b>9%</b>                   | <b>-10%</b>                     | <b>0%</b>                          | <b>-20%</b> | <b>3%</b>                        | <b>10%</b>                        |

Source: Authors' elaboration from DCMS Economic Estimates for Employment 2025. Regional values marked 'c' are censored at the regional level but reported at national level.

Table A2 shows regional trends in sectoral employment from 2022 to 2024. The figures, which include both employees and self-employed workers, are insightful, but do require contextualisation. Importantly, particularly high or low growth rates should be interpreted with caution, as they may represent changes to small numbers and may reflect sampling issues within the underlying Annual Population Survey. For example, for Wales the 84% increase in employment in Advertising and Marketing reflects a change from 3,418 people employed in the sector in 2022 to 6,287 in 2024. This having been said, the data used does show a contraction in the Publishing and Film, TV, Radio and Photography sectors, and overall increases in Music, Performing and Visual Arts, Architecture, and Advertising and Marketing sectors.

The DCMS data we use does not include granular regional figures for all regions for Crafts and Museums, Galleries and Libraries, but it does provide national figures. These point to growth in employment in both sectors, particularly the Crafts sector (which can be difficult to measure due to its high levels of self-employment). It should also be noted that Museums, Galleries and Libraries and Music, Performing and Visual Arts as captured here reflect employment in businesses in these areas, not necessarily public-sector or charity-run organisations. For this reason, particularly for Museums, Galleries and Libraries, there are often not enough observations to meet disclosure thresholds in all sectors. Results here should therefore be interpreted cautiously, as they do not necessarily reflect a commentary on challenges facing publicly funded organisations.

**Table A3: Complete list of TTWAs with creative industries spinouts (including spinouts without websites)**

| TTWA Name                  | Number of Spinouts | TTWA Name                        | Number of Spinouts |
|----------------------------|--------------------|----------------------------------|--------------------|
| Arbroath and Montrose      | 1                  | Leicester                        | 5                  |
| Banbury                    | 1                  | Liverpool                        | 2                  |
| Bath                       | 1                  | Llanelli                         | 2                  |
| Belfast                    | 12                 | London                           | 69                 |
| Birmingham                 | 2                  | Luton                            | 2                  |
| Bournemouth                | 1                  | Manchester                       | 14                 |
| Brighton                   | 5                  | Milton Keynes                    | 2                  |
| Bristol                    | 5                  | Motherwell and Airdrie           | 1                  |
| Cambridge                  | 22                 | Newcastle                        | 4                  |
| Canterbury                 | 3                  | Northampton                      | 1                  |
| Cardiff                    | 6                  | Norwich                          | 2                  |
| Chelmsford                 | 1                  | Nottingham                       | 9                  |
| Colchester                 | 1                  | Oxford                           | 14                 |
| Coventry                   | 4                  | Peterborough                     | 1                  |
| Craigavon                  | 1                  | Plymouth                         | 2                  |
| Crawley                    | 2                  | Rhyl                             | 1                  |
| Derby                      | 1                  | Sheffield                        | 5                  |
| Derry                      | 1                  | Skipton                          | 1                  |
| Dudley                     | 1                  | Slough and Heathrow              | 8                  |
| Dundee                     | 14                 | Southampton                      | 3                  |
| Eastbourne                 | 1                  | St Andrews and Cupar             | 3                  |
| Edinburgh                  | 15                 | St Austell and Newquay           | 1                  |
| Exeter                     | 3                  | Stevenage and Welwyn Garden City | 2                  |
| Falkirk and Stirling       | 1                  | Stoke-on-Trent                   | 1                  |
| Glasgow                    | 8                  | Swansea                          | 9                  |
| Guildford and Aldershot    | 4                  | Swindon                          | 1                  |
| High Wycombe and Aylesbury | 1                  | Thetford and Mildenhall          | 1                  |
| Huntingdon                 | 1                  | Trowbridge                       | 1                  |
| Inverness                  | 1                  | Tunbridge Wells                  | 2                  |
| Lancaster and Morecambe    | 2                  | Warrington and Wigan             | 1                  |
| Leamington Spa             | 3                  | Wolverhampton and Walsall        | 5                  |
| Leeds                      | 4                  | York                             | 1                  |

Source: Authors' elaboration from HESA Spin-out Register 2026 data. Shaded cells represent DCMS 55 creative clusters.

### Table A4: DCM 55 TTWAs in innovation clusters

|                             | DSIT | AdTech | Advanced Screens | Agency Market | Digital Creative Industries | Gaming | Immersive Technologies | Media and Publishing | Software Development | Software as a Service (SaaS) | Streaming Economy |
|-----------------------------|------|--------|------------------|---------------|-----------------------------|--------|------------------------|----------------------|----------------------|------------------------------|-------------------|
| Basingstoke                 | Yes  | No     | No               | No            | Yes                         | No     | No                     | No                   | Yes                  | No                           | Yes               |
| Bath                        | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Belfast                     | Yes  | No     | No               | No            | Yes                         | No     | No                     | No                   | Yes                  | No                           | No                |
| Birmingham                  | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Bournemouth                 | Yes  | No     | Yes              | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Brighton                    | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | No                           | Yes               |
| Bristol                     | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Cambridge                   | Yes  | Yes    | No               | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | No                           | Yes               |
| Canterbury                  | No   | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| Cardiff                     | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Chelmsford                  | No   | No     | No               | No            | Yes                         | No     | No                     | No                   | No                   | No                           | Yes               |
| Cheltenham                  | Yes  | No     | Yes              | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | No                           | No                |
| Chester                     | No   | No     | No               | No            | No                          | Yes    | No                     | No                   | Yes                  | Yes                          | No                |
| Chichester and Bognor Regis | Yes  | No     | No               | Yes           | Yes                         | No     | No                     | No                   | No                   | No                           | Yes               |
| Colchester                  | No   | No     | No               | Yes           | Yes                         | No     | No                     | Yes                  | No                   | No                           | No                |
| Crawley                     | No   | No     | No               | Yes           | Yes                         | Yes    | No                     | Yes                  | No                   | No                           | Yes               |
| Crewe                       | No   | No     | No               | No            | No                          | No     | No                     | Yes                  | Yes                  | Yes                          | No                |
| Dundee                      | No   | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| Eastbourne                  | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | No                     | Yes                  | No                   | No                           | Yes               |
| Edinburgh                   | Yes  | Yes    | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Exeter                      | Yes  | No     | Yes              | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | No                           | No                |
| Glasgow                     | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Guildford and Aldershot     | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | No                           | Yes               |
| Harrogate                   | Yes  | No     | No               | Yes           | Yes                         | No     | No                     | No                   | Yes                  | Yes                          | No                |
| Hastings                    | No   | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| High Wycombe and Aylesbury  | No   | No     | No               | Yes           | Yes                         | No     | No                     | Yes                  | Yes                  | No                           | Yes               |
| Huntingdon                  | No   | No     | No               | No            | No                          | Yes    | No                     | No                   | No                   | No                           | No                |
| Ipswich                     | Yes  | No     | No               | Yes           | No                          | No     | No                     | No                   | No                   | No                           | No                |

**Table A4: DCM 55 TTWAs in innovation clusters (continued)**

|                                  | DSIT | AdTech | Advanced Screens | Agency Market | Digital Creative Industries | Gaming | Immersive Technologies | Media and Publishing | Software Development | Software as a Service (SaaS) | Streaming Economy |
|----------------------------------|------|--------|------------------|---------------|-----------------------------|--------|------------------------|----------------------|----------------------|------------------------------|-------------------|
| Leamington Spa                   | Yes  | No     | No               | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Leeds                            | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Liverpool                        | Yes  | No     | No               | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| London                           | Yes  | Yes    | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Luton                            | No   | No     | No               | Yes           | Yes                         | No     | Yes                    | No                   | Yes                  | No                           | Yes               |
| Manchester                       | Yes  | Yes    | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Medway                           | No   | No     | No               | Yes           | Yes                         | No     | No                     | No                   | No                   | No                           | Yes               |
| Middlesbrough and Stockton       | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Milton Keynes                    | Yes  | No     | No               | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Newbury                          | No   | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| Newcastle                        | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Northampton                      | No   | No     | No               | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | No                           | Yes               |
| Norwich                          | Yes  | No     | No               | Yes           | Yes                         | No     | Yes                    | Yes                  | No                   | No                           | No                |
| Oxford                           | Yes  | No     | No               | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | No                           | Yes               |
| Penzance                         | No   | No     | No               | No            | Yes                         | No     | No                     | No                   | No                   | No                           | No                |
| Peterborough                     | No   | No     | No               | No            | No                          | No     | No                     | Yes                  | No                   | No                           | No                |
| Reading                          | Yes  | No     | No               | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Sheffield                        | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Slough and Heathrow              | Yes  | Yes    | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Southampton                      | Yes  | No     | Yes              | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Southend                         | Yes  | No     | No               | Yes           | Yes                         | No     | No                     | No                   | No                   | No                           | Yes               |
| Stevenage and Welwyn Garden City | Yes  | No     | Yes              | Yes           | Yes                         | No     | Yes                    | No                   | No                   | No                           | Yes               |
| Swindon                          | Yes  | No     | No               | Yes           | Yes                         | No     | Yes                    | Yes                  | No                   | No                           | No                |
| Trowbridge                       | No   | No     | No               | Yes           | Yes                         | No     | No                     | Yes                  | Yes                  | No                           | No                |
| Tunbridge Wells                  | Yes  | No     | No               | Yes           | Yes                         | Yes    | No                     | No                   | No                   | No                           | Yes               |
| Warrington and Wigan             | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| York                             | No   | No     | No               | Yes           | No                          | No     | No                     | No                   | No                   | No                           | No                |

Source: Authors' elaboration from DSIT Innovation Clusters 2025

**Table A5: Non-DCMS 55 TTWAs in DSIT innovation clusters**

| TTWA                       | DCMS 55 | DSIT | AdTech | Advanced Screens | Agency Market | Digital Creative Industries | Gaming | Immersive Technologies | Media and Publishing | Software Development | Software as a Service (SaaS) | Streaming Economy |
|----------------------------|---------|------|--------|------------------|---------------|-----------------------------|--------|------------------------|----------------------|----------------------|------------------------------|-------------------|
| Aberdeen                   | No      | Yes  | No     | No               | No            | Yes                         | No     | No                     | No                   | No                   | No                           | No                |
| Andover                    | No      | Yes  | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| Ballymena                  | No      | Yes  | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| Barnsley                   | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | No                           | Yes               |
| Birkenhead                 | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Blyth and Ashington        | No      | Yes  | No     | No               | No            | Yes                         | No     | No                     | Yes                  | Yes                  | No                           | No                |
| Bradford                   | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Chesterfield               | No      | Yes  | No     | No               | Yes           | Yes                         | No     | No                     | No                   | Yes                  | Yes                          | No                |
| Coventry                   | No      | Yes  | No     | No               | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Darlington                 | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Derby                      | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Derry                      | No      | Yes  | No     | No               | No            | Yes                         | No     | No                     | No                   | No                   | No                           | No                |
| Dudley                     | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Dumbarton and Helensburgh  | No      | Yes  | No     | No               | Yes           | Yes                         | No     | No                     | Yes                  | Yes                  | No                           | No                |
| Dunfermline and Kirkcaldy  | No      | Yes  | Yes    | Yes              | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | No                           | Yes               |
| Durham and Bishop Auckland | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Gloucester                 | No      | Yes  | No     | Yes              | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | No                           | No                |
| Great Yarmouth             | No      | Yes  | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| Halifax                    | No      | Yes  | No     | Yes              | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | No                           | Yes               |
| Hartlepool                 | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Huddersfield               | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | No                           | Yes               |
| Hull                       | No      | Yes  | No     | No               | Yes           | Yes                         | No     | No                     | Yes                  | No                   | No                           | No                |
| Isle of Wight              | No      | Yes  | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| Kingsbridge and Dartmouth  | No      | Yes  | No     | No               | Yes           | No                          | No     | No                     | Yes                  | Yes                  | No                           | No                |
| Leicester                  | No      | Yes  | No     | Yes              | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Livingston                 | No      | Yes  | Yes    | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Lowestoft                  | No      | Yes  | No     | No               | Yes           | Yes                         | No     | No                     | No                   | No                   | No                           | No                |
| Motherwell and Airdrie     | No      | Yes  | No     | No               | Yes           | Yes                         | No     | No                     | Yes                  | Yes                  | No                           | Yes               |

**Table A5: Non-DCMS 55 TTWAs in DSIT innovation clusters (continued)**

| TTWA                      | DCMS 55 | DSIT | AdTech | Advanced Screens | Agency Market | Digital Creative Industries | Gaming | Immersive Technologies | Media and Publishing | Software Development | Software as a Service (SaaS) | Streaming Economy |
|---------------------------|---------|------|--------|------------------|---------------|-----------------------------|--------|------------------------|----------------------|----------------------|------------------------------|-------------------|
| Newport                   | No      | Yes  | No     | No               | Yes           | Yes                         | No     | No                     | Yes                  | Yes                  | Yes                          | No                |
| Newry and Banbridge       | No      | Yes  | No     | No               | No            | Yes                         | No     | No                     | No                   | No                   | No                           | No                |
| Northallerton             | No      | Yes  | No     | No               | No            | Yes                         | No     | No                     | No                   | Yes                  | No                           | No                |
| Nottingham                | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Peterhead                 | No      | Yes  | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| Plymouth                  | No      | Yes  | No     | No               | Yes           | Yes                         | No     | Yes                    | Yes                  | No                   | No                           | No                |
| Poole                     | No      | Yes  | No     | Yes              | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Portsmouth                | No      | Yes  | No     | No               | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Scunthorpe                | No      | Yes  | No     | No               | No            | Yes                         | No     | No                     | Yes                  | No                   | No                           | No                |
| Sidmouth                  | No      | Yes  | No     | No               | Yes           | No                          | No     | No                     | Yes                  | Yes                  | No                           | No                |
| Sunderland                | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | No                |
| Thetford and Mildenhall   | No      | Yes  | No     | No               | No            | No                          | No     | Yes                    | No                   | No                   | No                           | No                |
| Torquay and Paignton      | No      | Yes  | No     | No               | Yes           | Yes                         | No     | Yes                    | Yes                  | Yes                  | No                           | No                |
| Turriff and Banff         | No      | Yes  | No     | No               | No            | No                          | No     | No                     | No                   | No                   | No                           | No                |
| Wakefield and Castleford  | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Wolverhampton and Walsall | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | Yes                          | Yes               |
| Worthing                  | No      | Yes  | No     | Yes              | Yes           | Yes                         | Yes    | Yes                    | Yes                  | Yes                  | No                           | Yes               |

Source: Authors' elaboration from DSIT Innovation Clusters 2025

**Table A6: Destinations for creative spinouts**

| TTWA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Spinouts Relocating |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| London                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 33                  |
| Brighton; Newcastle                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 4                   |
| Bristol; Glasgow; Lancaster and Morecambe; Leicester; Oxford; Sheffield; Slough and Heathrow; Tunbridge Wells; Wolverhampton and Walsall                                                                                                                                                                                                                                                                                                                                                                                  | 3                   |
| Birmingham; Bournemouth; Cambridge; Canterbury; Crawley; Exeter; Luton; Nottingham                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2                   |
| Arbroath and Montrose; Banbury; Bath; Bridgend; Cardiff; Coventry; Craigavon; Derby; Derry; Dudley; Dundee; Durham and Bishop Auckland; Eastbourne; Edinburgh; Falkirk and Stirling; Guildford and Aldershot; High Wycombe and Aylesbury; Huntingdon; Leamington Spa; Manchester; Medway; Milton Keynes; Newbury; Northampton; Peterborough; Plymouth; Rhyll; Skipton; Southampton; Stevenage and Welwyn Garden City; St Austell and Newquay; Swansea; Swindon; Thetford and Mildenhall; Trowbridge; Warrington and Wigan | 1                   |

Source: Authors' elaboration from HESA Spinouts Register 2026 and Companies House data

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