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# Aberdeen City Council Investment in Culture 2022/23



## **Aberdeen City Council: Investment in Culture**

### **2022/23 Impacts**

#### **Forward**

This document is the second impact report Aberdeen City Council has conducted on its annual investment in culture since the initial report in 2019 but it also marks the first analysis of the funded activity post Covid-19, providing a snap shot of the impacts of the Pandemic and subsequent Cost of Living/ inflation on supported cultural organisations and individuals delivery. The report highlights the monetary value of the social and economic benefits generated through the funded activity delivered by external partners and grant recipients which took place between April 2022 to March 2023.

The cultural sector plays a key role in supporting the diversification of the Aberdeen economy at a time significant transition, accelerated by the impacts of climate change, energy security as well as the advancements of AI and automation. At the same time, the city is a major regional centre where residents and visitors will have high expectations of the cultural offering. ACC has committed to supporting the development of culture within the city through both Council delivered cultural services and its investment in cultural activity delivered by external organisations and individuals. This study highlights the activities of internal services but has a specific focus on the economic benefits of external investment.

To ensure that the full value of the sector and its activities are captured, this study also recognises the wider role the sector plays in making towns and cities attractive, vibrant places, and the social benefits that are generated through activities that promote civic pride, citizenship, inclusion and well-being.

#### **1. Introduction**

The City of Aberdeen has a rich array of cultural assets including traditional theatres, arts centres, a music hall, libraries, archives, museums and galleries, and a varied programme of cultural events which attracts a growing number of visitors. The Council own capital investment in culture visitor destinations over the past 10 years has been significant, from TECA, the £330m state-of-the-art events venue, boasting world-class conference and exhibition facilities and a superior 15,000 capacity arena – through to award winning redevelopment of iconic historic building's such as Aberdeen Art Gallery and The Music Hall. History and culture are within the top three motivators for overnight visits to Aberdeen and Aberdeenshire, reflecting the importance of these assets and the wider cultural sector to the visitor economy.

The Creative and Cultural industries sector contributed £242m in GVA to the economy of Aberdeen in 2018 (the most recent reliable data), an increase of 31% on 2008. It also accounted for 3,530 jobs (4.5% of the Scottish total) and 815 businesses in 2021. Putting this into context, the creative sector accounted for 2% of employment in NE Scotland compared to 3% at national level. It is smaller in the region than other growth sectors such as Energy, Financial and Business Services and Tourism, but larger than Life Sciences. This employment data is reliant on PAYE data and DCMS analysis shows that approx. 32% of the creative industries workforce is made up of freelancers (including secondary employment) in comparison to the wider workforce which stands at 15%, in Aberdeen's case that would equate to potentially another 1,129 jobs on top of the recorded 3,530.

A recently produced short paper for Scottish Enterprise and Skills Development Scotland reviewed the creative sector in the region. This analysis suggested that the sector may offer greater potential than

previously thought particularly when seen through the lenses of place-based development, regeneration and the growth of a visitor economy. The strength and potential of the sector lies in its two universities - RGU and the University of Aberdeen - and in North East Scotland College. In academic year 2019/20, there were 6,669 student enrolments in creative-related courses (including Computing Science) in higher and further education in NE Scotland.

The funding environment for culture is also becoming more challenging making resilient financial planning the key priority for the sector. As both COSLA and Audit Scotland have increasingly reported, local authorities who are the primary funder for culture, are facing increased financial pressure through a combination of reductions in the Government grant and increasing inflationary costs to deliver statutory responsibilities – which in turn is leading to less money available for other services such as culture. Beyond local government support national public funding for arts and heritage in the city has been historically low. Added to this is a combination of Post-covid audience behavioural changes, inflationary cost pressures and record high energy prices creating a ‘perfect storm’ for cultural operators which has already seen the loss of several cultural institutions, including Aberdeen’s Belmont Filmhouse.

It is essential that investment in culture demonstrates great value returns and positive impacts to develop a stronger and more sustainable sector. These impacts are not limited to the economic benefits of job creation and tourism, there is a growing recognition that traditional economic metrics such as GDP and GVA need to be supplemented with wider measures to gauge ‘Wellbeing’ within the economy. This has particular relevance to Aberdeen, given some of its communities and residents have faced significant inequality of opportunities, not directly benefiting from the wealth and prosperity of the oil industry presence in the city, the Just Transition principles therefore should lead to a greening of the economy in a way that is as fair and inclusive as possible to everyone concerned, ensuring no one is left behind.

## **2. Strategic context**

At present a number of key long-term local, regional and national strategies and action plans for social and economic development are currently being refreshed and revised, taking into account the global shocks of the Pandemic, The Climate emergency, energy security and subsequent inflation pressure. Culture is no different in that respect, with Culture Aberdeen, the City’s ten year cultural strategy currently undergoing a refresh, firming up priorities and action plans.

Local Outcome Improvement Plan (LOIP) and Locality Plans are in the process of being refreshed with a final plan to be approved in 2024. Community Planning Aberdeen are currently consulting with communities through a series of engagement workshops. While culture has little reference in the current iteration of the LOIP out with the economic benefits it’s worth noting the outcomes reported in the Plans Refresh Engagement – Summary Report (27<sup>th</sup> November 2023) which highlights a high level of value being placed on Aberdeen’s range of cultural activities and facilities (People theme, Play and Recreation) and Children and Young People identifying Festivals, Music and Culture as what they wanted to see more of to improve sense of identity and belonging.

The Regional Economic Strategy was refreshed in May 2023 and is currently awaiting final ratification. It proposes four programmes and connects culture explicitly to Programme 4, ‘Strong community and cultural identity’ with a focus on creating a strong identity and cultural narrative for the north east includes ambitions to increase the number of assets held by communities through asset transfer and to increase jobs in the creative industries, offering Aberdeen a stake in what has been an economic boom area for the rest of the UK.

Subject to ratification a new Regional Economic Partnership may well come on the heels of the RES and to deliver on any future City Region Deal. This would mark a dynamic change in the place and potential for cultural and creative industries in the regional economy, with regional decision making for cultural investment.

### 3. Investment Overview

Investment in culture from Aberdeen City Council reflects the broad range of benefits and impacts arts and culture can deliver for society - from supporting a prosperous economy through job creation, talent retention and tourism income; through to transformative social impacts on education, community cohesion and place, improving experience of Aberdeen for residents and visitors alike.

The investment covers both direct provision through Council internal cultural services, facilities and venues as well as contributions to external cultural organisations to deliver services, managing venues on carry out projects through grant funding. This investment is primarily through the Council's annual revenue budget, with some additional investment through the Aberdeen Common Good Fund.

#### Council expenditure on cultural activity for 2022/23

##### Categories

<b>Council Cultural Venues &amp; Facilities</b>	<b>£8,206,449</b>
<b>Community &amp; Education Arts Development</b>	<b>£1,756,600</b>
<b>Grants to External Cultural Organisations</b>	<b>£2,044,974</b>
<b>Total</b>	<b>£12,008,023</b>

1. Figures are based on Impact returns and verified against Aberdeen City Council 2022/23 Local Financial Returns (LFRs) and published as part of the Scottish Local Government Finance Statistics publication.
2. Figures exclude funding to sports/leisure services, non-cultural funding to community centres and tourism.
3. Figures have been adjusted to include Common Good 'cultural' contribution, to internal services or distributed to external organisations in the form of grant contributions.

For the purpose of this report culture is defined as those activities relating to arts, culture and heritage delivered and/or funded including:

**Council Cultural Venues** is inclusive of Aberdeen Archives, Gallery and Museum's services, Beach Ballroom and Aberdeen City Libraries.

**Community & Education Arts Development** includes the Council's Creative Learning programmes, Aberdeen Music Service

**Grants to External Cultural Organisations** comprises of commissioned services and contributions to key cultural organisations such as Aberdeen Performing Arts, Belmont Filmhouse (up to point of administration in 2022), Peacock Visual Arts, Citymoves Dance Agency. Events and festivals such as Spectra and Nuart as well the grant programmes such as Creative Funding Awards, This is figure is also inclusive of Common Good funding and non-Capital repair work to cultural venues.

The Council's internal Cultural Services are split across the Functions 'Commissioning' and 'Customer', with the funding to external organisations primarily managed by Cultural Policy and Partnership within City Growth/ Place.

#### 4. Council's Internal Cultural Services

**Aberdeen City Libraries (ACL)** is the well-established library network providing an extensive range of services. through 10 Community Libraries, a self-service library at Old Aberdeen and the Central Library's 4 departments, digitally 24/7 through the Library catalogue, webpages and databases or at home through the Home Service. ACL received 403,398 visitors in 2022/23, and despite some closures this number has continued to increase by 6,419 (15%) from April -September 2023 (based on the same period in 2022), with 848 more active library members accessing libraries to borrow items within this period.

2022/23 saw 424,131 loans issued last year ACL delivered activities to 34,115 participants including author events, Lend and Mend events, children and family activities such as the much loved Bookbug sessions, part of the national Bookbug programme, encouraging parents and carers to share books with their children from as early an age as possible to inspire a love of reading in every child. ACL also houses the Local Studie hosts the Silver City Vault, the online collection of Aberdeen Local Studies providing valuable resources for anyone interested in heritage, especially local heritage or family history. At the time of this report, a consultation into the future of Aberdeen's library and information services has just been completed. The views and perspectives from the residents of Aberdeen will inform and shape provision of library services going forward.

**Aberdeen Archives, Gallery and Museums (AAGM)** manage and host the city's collection which has grown over centuries, and has been shared with the public since 1885, first through the Aberdeen Art Gallery, then the wider museums and archives services at Aberdeen City & Aberdeenshire Archives, Maritime Museum, Treasure Hub, Provost Skene's House and Tolbooth Museum. Exploring, re-interpreting and using the collection can help all of us explore our past, share our present and inspire our future, showing the best of Aberdeen to the world.

AAGM venues host a world class collection which spans Fine Art, Decorative Art, Maritime History and Archaeology to name a few. The Fine Art collections are of national and international significance, with a rich holding of 19th century French art - including outstanding examples by Monet, Renoir, Toulouse-Lautrec, Vuillard and Bonnard. The Entire Collection cared for by Aberdeen Art Gallery & Museums is a Recognised Collection of National Significance, awarded by Museums Galleries Scotland on behalf of the Scottish Government.

The crown jewel of the city's cultural venues is the Aberdeen Art Gallery, one of the city's finest granite buildings, which underwent a landmark transformation between 2015 and 2019. The Gallery is a proud winner of Andrew Doolan Best Building in Scotland Award 2021 as well as the Art Fund Museum of the Year 2020.

The Aberdeen City & Aberdeenshire Archives service is jointly funded by Aberdeen City Council and Aberdeenshire Council, collects, preserves, promotes and make publicly available the historical records of the two local authorities, alongside other significant records relating to the region. The records held by the Archive date back over 800 years, with the earliest Council Registers recognised by UNESCO as being of outstanding historical importance to the UK.

**Creative Learning** is a city-wide service, prioritising projects based on identified need and working in partnership with others using arts, culture and creativity. The service provides support to education, communities and to creative practitioners. This support is provided through a range of activities working with over 1402 participants through programmes including the Make Your Mark creative learning workshop programme and their programme for early years centres, Geronimo! a project which introduces children and their parents to creativity and risk in play.

Through the ABZWorks Programme the team delivers one-to-one and small group creative workshops, enabling and empowering young people to build on their personal and employability skills and abilities using curiosity, open-mindedness, imagination and problem-solving.

Creative Learning also provide support to creative practitioners, it administers the Visual Arts and Craft Makers Awards in partnership with Creative Scotland as well The Culture Roundup newsletter distributed to students, graduates, cultural workers and creative practitioners in Aberdeen to share and highlight opportunities to support talent retention in the city.

Instrumental music lessons have been offered to pupils in Aberdeen for over 60 years, going from just one instructor offering lessons for senior school pupils in the 1950's, through to the present day Aberdeen City **Music Service** which has over 30 instructors providing high quality music tuition experiences to children and young people. The service also runs the Aberdeen City Music Centre from Northfield Academy, comprising of different ensembles catering to pupils at different levels of development. In addition to this music instructors run extra-curricular choirs, bands and orchestras across Aberdeen City schools.

**Cultural Policy and Partnerships** has the responsibility of leading on facilitation of cultural strategy and its alignment within Council's corporate plans and policies. They also coordinate and manage the Council's external investment to cultural organisations, distributed through discrete cultural development projects, programmes and initiatives. This investment through commissioned services and open project grants, supports venues and projects to attract audiences of over 600,000 and generates a return of investment to the city of £14.4m from £2.1m subsidy, a return of £6.86 for every £1 of Council funding.

Beyond its commissioning and monitoring responsibilities the team works closely with external cultural partner organisations, leading and facilitating capacity building initiatives as well as the establishment of cultural policy and strategy, such as 'Culture Aberdeen' strategy as well as the Council's Public Art guidance and advisory panel (PAPA). The service also has a delivery role, managing the award-winning SPECTRA, Aberdeen's light festival.

## 5. External Investment Profile

ACC's external investment in culture is directed through three commissioning funding programmes: Core and Development Services, Culture Programme, Creative Funding.

The funding delivered through these strands supports a diverse range of activities, ranging from the day to day operations of large cultural organisations and venues across the city to small scale projects delivered by individual artists. The projects activated through this external investment account for many the paid artistic opportunities available in the city, supporting 246 FTE jobs and 1,356 supported freelance creatives in temporary employment. This employment metric covers temporary artistic contracts as well as creatives technicians and support employed to aide delivery.

This funding can also be used to leverage in additional public funding support from non-ACC sources such as Creative Scotland. The additional funding brought into the city by Core Partners in 2022/23 is valued at £1,526,946. All funding allocation is based on delivering upon the city's cultural Strategy and contributing to Council key priorities including the Local Outcome Improvement Plan and Regional Economic Strategy. Funding is monitored in accordance with the local code of practice for grant giving, 'Following the Public Pound'.

## Who do we fund?

### Core and Development Services: £1,132,500

- **Aberdeen Performing Arts:** The award-winning arms-length arts charity that runs three city centre venues – the Music Hall, His Majesty’s Theatre and the Lemon Tree and three festivals - True North, Granite Noir and Light the Blue youth arts festival.
- **Jazz Scotland:** Deliver the annual Aberdeen Jazz Festival, including the Jazz on the Green free outdoor event.
- **Citymoves Dance Agency:** The regional dance agency for North East Scotland provides classes, workshops and outreach for the public as well as residences and opportunities for professionals. Citymoves also delivers DanceLive, and annual festival of contemporary dance.
- **Sound Festival:** Dedicated to the development of new music in the North East, the organisation’s work has grown from its award-winning festival to encompass year-round artists commissions, education workshops and performances.
- **Peacock Visual Arts:** A contemporary art centre, offering gallery/project space alongside printmaking and digital facilities used by renowned international artists and local artists alike. Also deliver Free Press, providing positive destination opportunities for care experienced young people.
- **Aberdeen Arts Centre:** A community performing arts venue, primarily focussed on supporting volunteer arts and delivery a programme of participatory performing arts workshops.
- **Belmont Filmhouse:** Which was operated by the Centre for the Moving Image, until it entered administration in 2022. The venue is Aberdeen’s only independent art house cinema, with a programme of high quality international and local films. Following the closure the Council commissioned a feasibility report on future operations and subsequent call for operators. This has led to a preferred operator being identified, ‘Belmont Community Cinema’ who are looking to reopen the refurbished space in 2024.

## What does this funding support?

This funding supports the day-to-day running of our Core Partner organisations. It is a central part of their business plan and can be used to leverage additional support from organisations such as Creative Scotland. Citymoves, Aberdeen Performing Arts and Peacock Visual Arts are all part of Creative Scotland’s Regular Funding portfolio, while others receive Open Project Funding from Creative Scotland.

Absent from the above list is Station House Media (SHMU), who are supported/ funded through Early Intervention and Community Empowerment. While SHMU activities are most defiantly cultural in nature they are already funded to deliver specific socioeconomic /community capacity building outcomes such as employability skills. As such SHMU activities have not been analysed in Culture Impact methodology.

### Culture Programme: £412,000

This funding programme was introduced in 2014 following on Aberdeen’s UK City of Culture bid in 2013, with a focus on strengthening the city’s cultural offer through increasing the delivery of major events and production space. This programme has supported the establishment of several of the city’s most recent and popular festivals on the events calendar including; **Granite Noir True North** and the **SPECTRA Festival of Light**. The programme also supports infrastructure and promotions activity such as Aberdeen Festivals and **Creative**

**Spaces** programme, the latter supporting start-up costs for new and refurbished creative facilities such as the Look Again Project Room and The Anatomy Rooms.

**Creative Funding** : £183,000

### **What does this funding support?**

Creative Funding is The Council's main strand of open project funding for creative activity and supports both individuals and organisation in delivering their work. Many of these projects support the development of opportunities for artists and creative practitioners, supporting the creative economy as well as delivering outreach activities within Aberdeen's Priority areas and most vulnerable communities. The funding awarded ranged from £1,000 up to £10,000 and supported activities including the GHAT Foresterhill health project, What Moves You Children's Dance and Theatre workshop programme, Polish Associations 30<sup>th</sup> anniversary as well as projects which develop new opportunities and spaces for creative through the Outer Spaces programme. The funding also supported individual's professional development to support new productions, writing, exhibitions and more. In 2022/23 this funding supported 32 projects generating over 593 events, workshops and activities, 170 artist's opportunities to an audience of 50,083.

Beyond these funding programmes a range of other cultural events, festivals and activities have been supported by Aberdeen City Council through the Common Good fund (administered by the Council), including NuArt Aberdeen Festival (£125,000) delivered by Aberdeen Inspired and the Aberdeen Mela.

## **6. Introduction to the Impact Methodology**

### **EKOSGEN Toolkit introduction - detail assumptions and methodology.**

Ekosgen was commissioned by Aberdeen City Council in October 2017 to undertake an impact study of the Council's external investment in cultural and creative organisations between 2013/14 and 2016/17. The aim of the study was to estimate the economic and social value of The Council's external investment in culture and to develop a toolkit that can be used for future impact assessments, standardising the approach used on an annual basis.

The purpose of this toolkit is to set out a consistent approach to measuring the economic and social impact of ACC investment that can be used in future years. It also sets out ways in which current limitations in terms of data can be addressed. In doing so it sets out areas for future consideration and provides a practical guide for supported organisations and projects, as well as Council Officers, to follow.

To date the toolkit has been rolled out to core and development service partners operating in Aberdeen, enabling them to report data relevant to measuring social and economic impact. The aspiration is to use the toolkit to record data linked to all the Council's cultural funding, thus providing an overview of the impact of that funding. The toolkit is designed to record data for cultural venues, events and time-limited projects, outputting the impact as a value for Gross Value Added (GVA) and Full-Time Equivalent (FTE) roles. Additionally, the toolkit has been designed to calculate a Social Impact with a cash value and linked to wellbeing, education and cultural engagement. These formula's are based on metrics established by the DCMS and applied regularly in monitoring arts in health settings.

The Council uses this data to inform decision making and to highlight the impact of culture within our society, economically and socially.

## 7. Economic Impacts – Prosperous Economy

The following economic assessment primarily covers the funding allocated to external organisations to specifically operate venues, deliver cultural events and festivals as well as deliver projects through Creative Funding. It is based on the most comprehensive and robust data available at this time using the Cultural Impact toolkit and information and figures provided thorough external reports.

Investment in infrastructure, small capital improvements and business development support have been excluded (as has TECA). The figures have also discounted, where possible, event and festivals audiences/visitor spend which may be captured within the ‘external venues’ figures, in order to avoid duplication and double-counting (festivals such Granite Noir for example).

	Venues	Events	Creative Funding	Totals
<b>ACC Cultural Funding</b>	£1,384,250.00	£482,000.00	£178,724.00	£2,044,974.00
<b>Other Public Funding</b>	£840,542.00	£686,404.00	£0.00	£1,526,946.00
<b>Other income/trading</b>	£11,050,868.00	£507,835.00	£385,012.00	£11,943,715.00
<b>Total</b>	<b>£13,275,660.00</b>	<b>£1,676,239.00</b>	<b>£563,736.00</b>	<b>£15,515,635.00</b>

Council investment continues to play a vital role in leveraging additional public funding to the region, the above figures indicates that every £1 of ACC has been matched by £0.74 of other public funding money such as Creative Scotland grants. This is an area where there is scope for improvement given the region’s historically low levels of investment from national funders but it should be noted these bodies will also be facing budget pressures. It is also important to note the significant income generated through these activities, for example the Council funding to Aberdeen Performing Arts represents around 10% of their total income in 2022/23.

### Employment and GVA Impacts

Supported cultural organisations collective employment which equates to 166 direct full-time equivalents (FTE) jobs. This has a headcount of 266 jobs in total which are a mix of full and part-time permanent employment within either micro (under 10) or small businesses (10 –49), with the exception being Aberdeen Performing Arts as medium to large organisation. The direct employment generated £3.7m GVA per annum. The GVA impact is based on average level of GVA per FTE in Creative, Arts and entertainment activities sector in Aberdeen (£22,483) according to Scottish Government Business Statistics( Growth Sectors).

FTE's	Venues	Events	Totals	GVA Impact
<b>Direct</b>	148.2	18.2	166.4	£3,756,603.20
<b>Indirect</b>	48.1	5.9	54.1	£1,834,891.70
<b>Induced</b>	23.1	2.8	25.9	£1,364,671.02
<b>Total</b>	<b>219.4</b>	<b>27.0</b>	<b>246.4</b>	<b>£6,956,165.92</b>

The organisations’ direct employment and GVA impact will multiply through induced and indirect impacts generated by their significant annual expenditure on wages and suppliers, a large proportion of which will be captured in Aberdeen City and Shire (reflecting the catchment area for employees and location of suppliers) and/or in Scotland. Indirect impacts relate to the spend of supported organisations on suppliers, whilst

induced impacts relate to the effects of additional spend in the economy by those employed by supported organisations. The wages received by employees and supply chain expenditure will re-circulate in the economy as result of expenditure by employees and supply chain companies, supporting further jobs. These jobs will also generate GVA. Creative Funding has been excluded from these calculations due to the scheme's criteria explicitly supporting temporary projects and prohibiting funding being used towards permanent employment.

## Supporting Artists

In addition to the permanent headcount, external organisations also support temporary employment such as artists and operational staff who are employed over an event/performance period. While the data available is currently limited, it does suggest that there is potential for the scale of temporary employment to be very significant. The table below shows that approximately 1,356 artists have been supported in 2022/23. It is important to note not all the artists supported are 'professionals' and classed as temporary employees; a proportion are non-professional or amateur artists involved in delivery activity.

Temporary Employment	Venues	Events	Creative Funding	Totals
Number of artists	695	431	320	<b>1,356</b>

## Visitor Economy Impacts

### Audience

Audience figures are based on information supplied by venues and organisations as per their reporting commitments. Numbers for venues is primarily based on captured ticket numbers and or booking, although approaches vary depending on venue type. Aberdeen Performing Arts venues account for a significant amount of the overall audiences with 354,871 across its venues. Events and Creative Funding are more reliant on a mixture of tickets, booking and footfall capture depending on the location and type of activity. It is important to stress the numbers do not reflect online audiences.

	Venues	Events	Creative Funding	Totals
<b>Total Audiences</b>	397,947	150,993	55,036	<b>603,976</b>
<b>Est. Day Audiences</b>	362,132	137,404	50,083	<b>549,618</b>
<b>Est. Overnight Audiences</b>	35,815	13,589	4,953	<b>54,358</b>

### Gross Visitor Expenditure

The nature of visits, and specifically whether a visit is a day trip or an overnight stay, is a critical factor in determining the additional expenditure levels of the audiences of venues and events operated and delivered by Core & Development funded organisations.

Based on evaluation data for cultural events in Aberdeen, it is estimated that day trips to Aberdeen cultural attractions will generate an estimated £33.39 of expenditure outside the venue, on average. Overnight visits will on average generate an estimated spend of £105.13, including both accommodation and non-accommodation costs, e.g. food and drink, shopping, transport, and the average overnight stay is estimated to be for 3 nights (based on Aberdeen visitor insight, International Passenger Survey) This expenditure does

not include spend at venues, including ticket purchase; this forms part of the organisational turnover, and the associated impacts, in terms of employment and GVA, are captured through the organisational impact assessment.

Gross Visitor Spend	Venues	Events	Creative Funding	Totals
Day	£12,091,579.80	£2,085,406.84	£760,108.66	£14,937,095.30
Overnight	£11,291,947.00	£1,948,061.91	£698,213.76	£13,938,222.67
<b>Total</b>	<b>£23,383,526.80</b>	<b>£4,033,468.76</b>	<b>£1,458,322.42</b>	<b>£28,875,317.97</b>

### Gross Additional Visitor Expenditure

The level of expenditure to funded cultural venues and events is considerable, **£28.8m**. However, it is important to recognise that a proportion of this expenditure is not additional to the economy. Rather, some is potentially generated by displacing expenditure that would have occurred elsewhere in the local economy anyway.

The industry standard methodology to deduce ‘additional spend’ is to remove the expenditure by those living in the local area. As might be expected, day visits by those from Aberdeen city or Aberdeenshire are estimated to make up a considerable proportion of visits each year – around 91%. Those from outside the local area account for the majority of overnight visits, and around 7% of total visits.

	Totals
Day	£496,502.62
Overnight	£10,688,636.99
<b>Total</b>	<b>£11,185,139.61</b>

### Net Additional Visitor Expenditure

In order to estimate the total net impact across all of the external funded organisations, two adjustment factors are required. The first is to account for potential double counting of audience numbers across the venues, with a number likely to go to two or more attractions. This is likely to be high given the relatively compact nature of Aberdeen city centre, and the use of venues for events and festivals or other co-productions and presentations. The second is to take account of members of the audience who are in Aberdeen primarily for another purpose, such as a sports events or a business conference and then partake in a cultural activity whilst there meaning that the visit spend is not driven by or attributable to culture.

It is assumed that overall expenditure will be reduced by some 50% when multiple visits to supported cultural attractions are considered and by a further 30% when account is taken of another primary reason or purpose for the visit. These deductions result in a net visitor expenditure of **£3.9million** in 2022/23.

Total Gross Additional Expenditure	£11,185,139.61
Discounted for visiting multiple venues as part of same trip	£5,592,569.81
Discounted to take account of visits for another primary purpose	<b>£3,914,798.86</b>

## Employment and GVA impact Supported by Visitor Spend

The net additional tourism expenditure attributable to cultural venues and events further increases the economic contribution to Aberdeen's economy supporting jobs and GVA in the wider visitor economy. Applying benchmarks on the level of turnover required to support an FTE job in the visitor economy, it is estimated that the spend supports 70 additional FTE jobs and further £2.6 million additional GVA in 2022/23

	FTE's	GVA
<b>Direct</b>	50.7	£1,697,754.62
<b>Indirect</b>	12.5	£534,598.64
<b>Induced</b>	6.8	£461,985.12
<b>Total Impact</b>	<b>70.0</b>	<b>£2,694,338.37</b>

## 8. Social Impacts

### Volunteer Impacts

The benefits of volunteering on health and wellbeing are also well documented. It can particularly help overcome loneliness and social isolation, providing individuals with a chance to get together with others in their community, helping them to feel part of wider society. Volunteering isn't a substitute for paid work although volunteering can help individuals to learn new skills often providing a route to gaining experience and opening up opportunities for employment. With 155 recorded volunteers active in the regularly supported organisations and further 170 through creative funding projects, they make a valuable contribution to sector, with many festivals, venues and programmes only deliverable with that support.

### Earning Equivalent and wellbeing impacts

	Venues	Events	Creative Funding	Totals
<b>Total Unique Volunteers</b>	60	95	170	325
<b>Total Volunteer hours</b>	1,900	1253	6,590	9,743
<b>Total earning equivalent impacts</b>	£24,811.40	£21,539.07	£80,200.30	£126,550.77
<b>Total Volunteer wellbeing impacts</b>	£371,812.00	£455,280.00	£1,566,922.00	<b>£2,394,014.00</b>

### Wellbeing Impacts

While participating and engaging in arts and culture has long been recognised as a key outcome benefit it has historically been more difficult to apply a robust methodology to translate this value into a financial return or universally recognised metrics. There has however been some movement on this front with the considerable amount of research that has been undertaken to deduce the financial value of cultural activity as a measure to reduce demand on public health services.

Research conducted on behalf of the Department for Culture, Media and Sport (DCMS) has determined that engagement in culture and the arts can bring a range of health and education benefits, which in turn generate

a financial return in terms of savings to the public purse and personal financial gains. These benefits may be realised through:

- A reduction in accessing health services such as GPs or mental health support; and/or
- Increased likelihood of attending further/higher education.

These benefits are translated into a set of benchmarks, as follows:

- Estimated per person annual NHS cost savings

£5.07 for those who engage with the arts as an audience member, due to predicted reductions in GP visits

£6.84 for those who engage with the arts as an audience member, due to predicted reductions in psychotherapy usage

One in five patients visit a GP for a problem that needs a social solution, not a medical solution. These problems include loneliness, confidence issues, housing worries and debt. These visits cost the equivalent of 3,750 doctors' salaries every year.

- Estimated per person lifetime benefits as a result of increased likelihood of attending further/higher education as a result of actively participating in arts (distinct from being an audience member)

£2,380 private benefit, in terms of increased wages for the individual

£791 public benefit, in terms of increased tax receipts

These benchmarks can be applied to known audience and participation figures across ACC-supported activity, applying the following assumptions:

- 'Engagement' translates to two visits as an audience member, or two instances of participation, to realise a benefit;
- A lifetime benefit assumes an average working life of 49 years, and assumes two instances of participation per year to realise a benefit; and
- Only half of audience members and participants will realise benefits.

Applying this methodology to the audience and participant figures of the supported external cultural organisations generates an audience wellbeing impact to the value of £1.7m. Health and Wellbeing impacts from participation is also significant, £213,734 net benefit per an annum, £20.9m when extended over a lifetime.

### Audience Wellbeing Impacts

	Venues	Events	Creative Funding	Totals
<b>Total gross savings</b>	£2,369,774.39	£899,163.32	£246,608.46	£3,515,546.16
<b>Total net savings, after discount</b>	<b>£1,184,887.19</b>	<b>£449,581.66</b>	<b>£123,304.23</b>	<b>£1,757,773.08</b>

## Participant Impacts

<b>Total Participant beneficiaries</b>	19,078
<b>Total gross lifetime benefits</b>	£20,945,936.58
<b>Total net lifetime benefits, after discounting</b>	£10,472,968.29
<b>Total net benefits annualised</b>	<b>£213,734.05</b>

## 10. Aberdeen City Council Cultural Services

Due to the Council services not operating as cultural enterprises, with the exception of the Beach Ballroom, the majority of services and opportunities are free to access with a focus more on participants than ticketed audiences. The Ekosgen toolkit methodology therefore has limited application in some areas such as funding and volunteering but still provides some insight in regards to employment, GVA and Participant/visitor health benefits. To avoid double counting Cultural Policy is excluded from these findings.

### Funding, Employment and GVA

The combined services have a core funding budget of £9,963,049, leveraging in a further £2,572,728 of external funding and revenue, with the Music Service being particularly successful attracting £769,499 in external grant funding. Council cultural service's direct employment of 215 FTEs with GVA impact multiplying through induced and indirect impacts generated by their significant annual expenditure on wages and suppliers. Direct employment is estimated to generate an additional 103 indirect/induced jobs creating GVA of over £9m. In addition to this 127 temporary employment opportunities were created for artists and creatives.

Jobs	FTEs	GVA Impacts
Direct	215	£4,832,945.68
Indirect	70.1	£2,398,590.01
Induced	33.6	£1,798,642.99
<b>Total</b>	<b>318.6</b>	<b>£9,030,178.68</b>

### Visitor Economy GVA

Council cultural venues attracted 359,212 visitors in 2022/23, this does not include the 403,398 visitors to Aberdeen City Libraries as their users will attend for a variety of reasons and the economic impact formulas are not applicable. The figure of 359,212 is provided by the services and includes museum/venue visitors, events and concerts. Applying the toolkit formula provides a Gross visitor expenditure of over £20m.

<b>Gross visitor expenditure</b>	
<b>Day</b>	<b>£10,914,620.70</b>
<b>Overnight</b>	<b>£10,025,853.88</b>
<b>Total</b>	<b>£20,940,474.58</b>

Estimating the total net impact requires two further adjustment factors, discounting for visits to multiple venues on the same day/trip and taking into account attendance is not the only primary purpose for visiting the city. These deductions bring net additional visitor expenditure to £2,855,198.

## Social Impacts

Where Council cultural service demonstrate a particular strength is in respect to social impact returns. Applying the toolkit formulas identifies audience health impacts with gross savings of £4,541,342 to health services by reducing GP visits and mental health service usage though attending cultural activities.

### Audience and Participant Health Impact

Audience/visitor impacts	
Total audience/visitors	762,610
Saving due to reduced GP visits	£1,933,216.35
Saving due to reduced mental health service use	£2,608,126.20
Total gross savings	£4,541,342.55
Total net savings, after discounting	£2,270,671.28

Participant impacts are also significant, producing gross lifetime benefits of over £68m which when deducted and annualised comes to a net benefit of £703,703.

<b>Participant impacts</b>	
Total participants	<b>43,496</b>
Benefit - wage increase due to increased likelihood of attending FE/HE	<b>£51,760,240.00</b>
Benefit - tax receipt increase due to increased likelihood of attending FE/HE	<b>£17,202,668.00</b>
Total gross lifetime benefits	<b>£68,962,908.00</b>
Total net lifetime benefits, after discounting	<b>£34,481,454.00</b>
Total net benefits, annualised	<b>£703,703.14</b>

### Benchmarks and assumptions used from standard datasets

Data	Variable/definition/assumption	Source	Date	Update frequency	Notes
Proportion of full-time employment	Cultural Creative industries (Scottish Growth Sector definition)	BRES	2022	Annually	<a href="http://www.nomisweb.co.uk/">http://www.nomisweb.co.uk/</a>
GVA per head	SIC 90 Creative services	Scottish Annual Business Statistics	2021	Annually (2-year time lag)	<a href="http://www.gov.scot/Topics/Statistics/Browse/Business/SABS">http://www.gov.scot/Topics/Statistics/Browse/Business/SABS</a>

Total employment	SIC 90 Creative services	Scottish Annual Business Statistics	2021	Annually (2-year time lag)	<a href="http://www.gov.scot/Topics/Statistics/Browse/Business/SABS">http://www.gov.scot/Topics/Statistics/Browse/Business/SABS</a>
Employment multipliers, Type I & II	SIC 90 Creative services	Scottish Input-Output Tables	2021	Annually	<a href="http://www.gov.scot/Topics/Statistics/Browse/Economy/Input-Output">http://www.gov.scot/Topics/Statistics/Browse/Economy/Input-Output</a>
GVA multipliers, Type I & II	SIC 90 Creative services	Scottish Input-Output Tables	2021	Annually	<a href="http://www.gov.scot/Topics/Statistics/Browse/Economy/Input-Output">http://www.gov.scot/Topics/Statistics/Browse/Economy/Input-Output</a>
GVA per head	SIC 55-56 Accommodation and food service activities	Scottish Annual Business Statistics	2021	Annually (2-year time lag)	<a href="http://www.gov.scot/Topics/Statistics/Browse/Business/SABS">http://www.gov.scot/Topics/Statistics/Browse/Business/SABS</a>
Total employment	SIC 55-56 Accommodation and food service activities	Scottish Annual Business Statistics	2021	Annually (2-year time lag)	<a href="http://www.gov.scot/Topics/Statistics/Browse/Business/SABS">http://www.gov.scot/Topics/Statistics/Browse/Business/SABS</a>
GVA per head	SIC 90-93 Arts, entertainment and recreation	Scottish Annual Business Statistics	2021	Annually (2-year time lag)	<a href="http://www.gov.scot/Topics/Statistics/Browse/Business/SABS">http://www.gov.scot/Topics/Statistics/Browse/Business/SABS</a>
Total employment	SIC 90-93 Arts, entertainment and recreation	Scottish Annual Business Statistics	2021	Annually (2-year time lag)	<a href="http://www.gov.scot/Topics/Statistics/Browse/Business/SABS">http://www.gov.scot/Topics/Statistics/Browse/Business/SABS</a>
Audience numbers	Discounting for audience members making visits to other attractions	n/a	n/a	n/a	Assumed 50%
Audience numbers	Discounting for audience members coming to Aberdeen for other non-cultural reason	n/a	n/a	n/a	Assumed 30%
Average (median) hourly wage	Aberdeen	Annual Survey of Hours and Earnings	2022	Annually	<a href="http://www.nomisweb.co.uk/">http://www.nomisweb.co.uk/</a>
Value of volunteering	Value of volunteering to volunteers that work regularly	Social Value Lab Research	2019	n/a	<a href="http://www.globalvaluexchange.org/">http://www.globalvaluexchange.org/</a>
Volunteers	Discounting to estimate number of	n/a	n/a	n/a	Assumed 50%

	volunteers that work regularly				
Health & wellbeing impacts	Savings on reduction in GP visits	DCMS/Simetrica	2015	n/a	DCMS/SIMETRICA (2015) Further analysis to value the health and educational benefits of sport and culture
Health & wellbeing impacts	Savings on reduction in accessing mental health services	DCMS/Simetrica	2015	n/a	DCMS/SIMETRICA (2015)
Education benefits	Wage increase as a result of increased likelihood of attending FE/HE	DCMS/Simetrica	2015	n/a	DCMS/SIMETRICA (2015)
Education benefits	Tax receipt increase as a result of increased likelihood of attending FE/HE	DCMS/Simetrica	2015	n/a	DCMS/SIMETRICA (2015)

## Accreditations

Spectra Festival 2023 Image credit: Ian Georgeson.

Thanks to all cultural partners and services for providing information and data to complete this report.

This report was produced by the Cultural Policy and Partnerships team, Aberdeen City Council

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