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## Creative hubs: A critical evaluation

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### Abstract

The aim of this paper is to interrogate the idea of the creative hub. It argues that hubs are more than buildings or containers; they can provide a crucial link between intermediary activities (social and economic). It argues against generalisation of an abstract and general hub model and in favour of an understanding of creative hubs in their empirical diversity embedded local conditions. The paper is divided into four parts. The first, explores how creative hubs are framed by economic theory; the second explores the importance of context – the specificities of history and place – in shaping our notions of creative hubs. The third part examines the ‘user experience’: the cultural economy and the cultural workers occupying such spaces, finally we explore evaluation of hubs concluding with the importance of shifting the focus from infrastructure provider to that of supporting (building) supplier to user needs.

### Keywords

: Creative hubs; Cultural hubs; Intermediation; Creative clusters; Cultural industries; Creative industries

### Introduction

The growth of the cultural economy of the 21st century has been synonymous with its urban focus; and with a pronounced co-location of activities (EY/CIASC. 2015). The ‘cultural’ or ‘creative’ label has been appended liberally to district, cluster, neighbourhood, and hub: denoting on the one hand a description, or on the other hand, an aspiration. Not surprisingly, this has led to much confusion. In the latter sense, the cultural economy echoes other parts of the economy where a debate has tilted toward potential futures of the ‘next’ social and economic transformation, referred to as the Fourth Industrial Revolution (Schwab 2017): common labels refer to ‘leading technologies’ such as nanotechnology, biotechnology, quantum

computing, artificial intelligence, etc., as well as the creative economy (Braunerhjelm and Feldman 2007; Delgado, Porter, and Stern 2016). Untangling the reasons for clustering in the cultural field (Picard and Karlsson 2011; Pratt 2004; Wen 2018), promise - for some - to be the key to enabling the next 'revolution'; of course, potentially answering this question also leads onto debates as to what responses policy makers might develop (Martin and Sunley 2003; Mommaas 2004). Clustering seems to have attracted a consensus view of being 'a good thing'.

Many policy agencies around the world are currently promoting creative hubs as the way to support the creative economy (itself a concept that has only recently gained general legitimacy). There is a lack of clarity as to what a creative hub is, and what is 'good' about it, and, if it represents a positive investment. This paper critically examines the notion of the creative hub, and queries what it is about clustering, or 'hubbing', that incubates growth in the creative economy: is it anything more than 'co-location', and what is it about proximity that encourages, or supports, creative activities. Moreover, it is argued that it is only by answering these questions that the evaluation of the 'success' or 'failure' of individual hubs can be understood.

A creative hub potentially has three dimensions. First, it is a physical co-location of activities involved in the creative industries. Commonly, the co-location is not simply proximate, but actually within the same building. This building is often converted from a previous industrial, storage or office use. The common characteristic being a large space subdivided into individual studios or workshops for micro-enterprises. Second, the premises are often managed on a flexible lease system which may allow 'easy in, easy out' transitions, as well as sub-letting of space. Critically, in many cases the 'hub manager' acts as a business advisor, amateur, and mediator both for the hub residents, and between the residents and the external world. Finally, the hub can be a place of informal knowledge and information exchange and mutual social support of residents. The balance between these three dimensions varies depends at least on two cross-cutting factors: first, on the objectives of the hub managers, funders (who may be public, private, or third sector), or policy agency; and, second, on the precise mix of the residents, and their expertise and domain of activity.

The paper is divided into four parts. A central theme is that of the 'user experience': the cultural economy and the cultural workers occupying such spaces. We use this idea to challenge the dominant concern with 'real estate' or building provision; a second theme is the one of evaluation: shifting the focus from supplier to user needs. However, first, we begin with two contextual sections; first, that explores how creative hubs are framed by economic theory, and second, that explores the importance of the specificities of history and place in shaping our notions of cultural hubs.

As will we argue below, some of the confusion concerning creative hubs results from only taking one of these aspects of the hub (the physical proximity); or, by stressing one aspect in favour of the others (downplaying the curation or management of the hub, and most often, ignoring altogether the residents or users: the creatives). A further source of confusion regarding creative hubs concerns the very processes that they are meant to encourage or facilitate, and this is where we begin our discussion in the following section. The roots of this problem originate from the cast of classical economic thought that has commonly

regarded the social and spatial relations of (cultural) production as insignificant (Pratt 2015, 2020). However, we will argue that these residuals and contextual factors are of primary importance in understanding creative clusters and hubs.

The generic economic case for clustering, and its challenges.

The dominant economic argument for co-location has been that it minimises transportation costs, both between industries, and between producers and consumers. This has been a staple of classical economics (Marshall 1920), and an empirical 'thorn in the side' of neo-classical economic (where space and knowledge are assumed to be equally available, hence a 'non-factor' of production). A dominant argument that has been popularised by Porter (Porter 1995, 1998) is the value of using clustering as a means of supply chain co-ordination and control. In the popular reading of Porter, clustering sketchily links together the minimisation of transactions costs of neo-classical economics, and the focus on value added in production chains from critical trade theory. In the popular reading 'clusters' are the empirical stand-in for that amalgam. Policies and proposals inspired by Porter (DTI 2001) have been subject to significant academic critique as regards an adequate explanation of clustering (Martin and Sunley 2003). Nevertheless, in policy circles the notion continues to be popular.

Paradoxically, in the period that Porter's influence grew, technology and communications developed, as did the transition to the non-material component of goods and services. Accordingly, transportation and communications costs in some industries were reduced to a minimal proportion of production costs; therefore, theoretically, producers could locate wherever they wish they were not tied to high-cost locations like urban cores; nor, tight co-locations. This thesis was evocatively termed 'the death of distance' (Cairncross 1998). In a way, this was simply asserting what neo-classical economics had argued all the time: space and place do not matter.

The evidence is that clustering particularly, but not exclusively, in urban locations has remained, or grown, in importance: albeit varying by industry. Obviously, the implication of Cairncross's argument is that those industries previously dependent on material products would be affected primarily; more than those relying on digital production. Accordingly, we would have expected 'digital' and 'knowledge' based industries. It would follow that the creative industries would also be affected; on the contrary, they have been one of those industries that have remained urban and clustered (Pratt 2000). The question is why? A leading argument is that the balance of knowledge and information exchange, especially tacit and informal knowledge, vis-a-vis raw materials is a critical factor for many activities in the cultural economy (Ibert 2007; Pratt 2017). It is in these activities in that where embodied communication is at a premium: in terms of speed, quality and convenience. Simply, production and creativity in these industries requires a human co-presence that cannot be replaced by technology.

National and urban policy makers have picked upon three interwoven arguments: a. the generic co-location argument (first in the Global North, being the first regions impacted by de-industrialisation), b. the popularity of a superficial reading of Porter and clustering, and c. the desire to 'boost' their local economy's readiness

for 'new technology'. The paradigmatic 'solution' was the science park craze of the 1990s: new 'STEM' industries were housed in shiny glass science parks (Massey, Quintas, and Wield 1992). Arguably, the trend for creative clusters at the turn of the 21st century, follows a similar road; the new creative industries clustered in, and seeking to replace, employment lots in inner cities that has lost traditional manufacturing via de-industrialisation. In a symbolic twist, just science parks had their 'look' of the future (glass and steel), creative industries has their look, this time a retro-chic, 'Steam Punk', or 'Blade Runner' look, 'retrofitted' into the aging and refurbished space (O'Connor and Shaw 2014; Zukin and Braslow 2011). Hence, the stereotypical norm of a cultural cluster comprised of a converted large-scale 19th century multi-storey factory or warehouse.

The key problem that this paper focuses on is that this form of clustering (the building box, studio or cell), and their representations, have come to substitute for the complex and diverse 'user needs' of cultural practitioners. We do not propose to cover in this paper all of the iterations of the cultural district, cluster, neighbourhood, and hub (Bell and Jayne 2004; Evans 2009; Pratt 2010); we focus instead on the 'most extreme' version: the cultural hub usually confined to a single building. Generally, arguments have been conflated, such that cultural industries are assumed to 'need' such spaces (isolated, uniform boxes). Whilst, creative re-use of the built environment, and the re-purposing of inner urban spaces as attractive spaces to work and live are apparent,<sup>1</sup> the question posed here is: do these buildings serve the needs of users in terms of social labour organisation and learning? Moreover, how are the success of such developments to be evaluated; do they pay attention to users (the diverse cultural industries, both for, and not for profit), or the suppliers (real estate developers, or public authorities), needs? Finally, considering the 'model' of policy support for the cultural industries has been shaped by the experience of the Global North, what lessons can we learn from it, and what role does context play?

## Contexts and origins

The industrial decline and re-structuring of the last quarter of the 20th century hit traditional Global North industrial centres of cities badly. Key industries and employment located in urban centres were lost, and the economic, and then the social base, of cities was damaged. Urban and regional policy was developed to respond and to support communities; innovative attempts explored the possibilities of the creative economy (or cultural industries as they were then termed). One of the first economies to experience these problems was the UK, it too pioneered exploration of the creative economy in the form of local (not national) level experimental policy labs at the city level, and was commonly framed by urban regeneration rather than economic development; often with an emphasis on the transformation of semi-derelict buildings and infrastructure (Bell and Oakley 2015; Hesmondhalgh et al., 2015).

The first wave of what were termed 'business incubators' began in 1972 as 'shared spaces' with services and management when architects started subdividing older vacant buildings into 'working communities' and redeveloped historic buildings as workshops for artists and crafts persons. Managed workspaces emerged as a response to the closing of industrial plants and structural changes in the economy. **British Steel**

Corporation, for example, set up 'community workshops' for former workers to help create new businesses and jobs (e.g., 1979 Clyde Ironworks in Glasgow). By 1984, the number of managed workspaces in the UK was estimated between 200 and 500 as more companies and governmental agencies started to invest in those. For example, from 1980 to 1985 existed the Small Workshop Scheme from the government, an industrial building allowance that gave incentives for companies to develop small workshops. It is this paradigm that was normative for economic development and regeneration at the time.

However, a quite distinct line of thought and practice had been developed in response to other needs (this time specifically related to arts and culture).

These experiments have their foundations in the decline of port industries in London in the late 1960s. The opportunity was to re-use derelict industrial spaces for artists. The demand came from artists who sought larger 'open studio' spaces for abstract and expansive pieces of work, which might also work as temporary gallery space. Just such a transformation happened in New York, this time in warehouses and workspaces abandoned by the garment industry: this was the trend that would generate the 'loft' craze (Zukin 1982). ~~But specifically in~~ London, ACME and Space were two prominent ~~London~~ artist-led studio developers that started out in the early 1970s (see the beginnings of ACME and Space studio (Dovey et al., 2016; Green 1999). ACME rented its first building for workspaces from the London government in Bow, East London in 1973 (Gordon-Nesbitt 2018; Wilson 2018). SPACE Studios was set up in 1968 by a group of artists and created more than 100 studios in a huge disused warehouse in St. Katharine's Dock near Tower Bridge with help from the Greater London Council (Harding 2018). Both organisations are today the biggest studio space provider in London with more than 500 studios each and supporting more than 1400 artists. Although both organisations received public funding, they are not public sector bodies but third sector agencies working on behalf of artists. Specifically, the logic is rooted in the challenge of overheated property markets that ordinarily drive artists out of the city as rents rise (Pratt 2018; Yoon and Currid-Halkett 2014). ACME and SPACE pioneered a model that kept rents low, but using short life buildings, or by purchasing the building. It is in this way that property ownership became a means to securing the ends (of the sustainability of artists in the city).

A third strand of thought developed in the 1980s and 1990s, the growth of workspaces for culture and creative industries business under metropolitan (2nd tier cities, not national government) creative industries initiatives. With public support, many old vacant factory buildings were redeveloped as studio spaces for creative professionals and businesses (Evans 2009). In the period since the turn of the 21st century there has been a continual flowering of 'art factories' and 'cultural factories'. These are in part driven by (local) public authorities desire to resume derelict industrial space, and to regenerate and re-populate the inner city, and to draw the population back, and renew tax revenues.

A fourth strand of activity is represented by a private sector model ~~that~~ is driven by market demand, and to inflate 'contextual value'. Put simply art and cultural activities make a run-down area attractive for residential or new commercial incomers, and 'development ready'. In effect, some galleries and studio space

can be an effective ‘loss-leader’ for developers: when the prices rise sufficiently the ‘cultural gloss’ is removed. **Today** **Now** the market **is** capitalising on the demand for co-working space and timeshared spaces. These developments look, superficially, like their creative hub cousins, but are very different in the economic model that drives them. Co-working, or commercial hub spaces have, as a bottom line, to maximise their rental income, and increase yields for investors. The risk is letting space to fast growing (or failing businesses). The trick is to hold onto success and eject failure. As a property management strategy this is sound; however, it does not address the challenges of creative business, ~~or~~ any activities that are not going to grow at a geometric rate; ~~or~~ those that may not desire to do so.

It is clear that there was not one model for the activity that we now associate with the creative hub idea; **rather**, it has emerged within particular historical and political contexts of government, and between tensions of economic and infrastructure renewal, involving both private and public initiatives. Clearly, these competing demands are unlikely to be resolved in ‘perfect’ ways, nor in the interest of all parties: political and economic power will dominate; as will established ‘norms’, or generic approaches. Finally, in contrast to the economic and theoretical debates referred to in the previous section, these developments have been marked by an emphasis on practice and pragmatism. The point we are making here is not to legislate between different viewpoints, but to reveal the ad-mixture of logic and practice that generates particular forms in specific places and times.

The notion of creative hubs has proliferated and has found favour **first** in several European states as well as the UK undergoing similar economic transitions; however, the idea has also travelled further afield. Creative hubs apparently untethered from the particularities of their origins now appear globally in a fantastic empirical variety. Clearly, it is important not to assume that all hubs were established to address the same problem, or even the same problem albeit in a different context. The spatially and temporally situated perspective developed here is indicative of the multiple reasons why unique hubs might be a solution, at times, and in specific contexts. Arguably, the ‘creative space business’ has acquired its own dynamic, and provision is increasingly coming online in the UK and other major cities or the world, ~~that~~ is not **generally** third-sector **supported**, nor state-supported; ~~but~~ **it is** a private property development model. A particular form of generic rented space provision, usually within a converted old industrial shell, is often exemplified as the ‘phoenix’ rising from the ‘ashes of deindustrialisation’: the ‘best practice’ solution. Unfortunately, as with all ‘best practice’ (Pratt 2009) it is this generalisation that distracts us from the particularity of the needs and dynamics of the cultural economy (which is different from that of ‘generic small business’). Accordingly, we next turn to consider the users for whom hubs are presumably created, but are often absent from our analyses.

## **Intermediation: the users/creators and networks/organisations**

Having **briefly** explored the diverse notions of what a creative hub is and who it is for, and the potential range of theoretical and practical perspectives from which they might be viewed, we move on in an

unorthodox direction. We actually look at the actors from whom hubs are supposedly created, or serve. It is our contention that whilst there is complexity and inevitable confusion as regards what a hub is and how it is meant to operate, there is relatively little concern with how they actually operate. In this section we divide this challenge into two parts, or two sides, of intermediation. First, the creative economy faces challenges at the system level of intermediation split as it is between a few large organisations and many micro enterprises. We argue that by default the function of hubs is to resolve many of these intermediation issues, this requires a more subtle task than simply letting out empty spaces. Second, at the personal level the creative economy presents another challenge, that is that many of the actors in it are not 'rational economic actors' rather they work with conflicting aspirations of monetary, aesthetic, or social values; we refer to this as the moral economy of creative work.

## **Users/creatives**

After the early wave of 'discovery' of the cultural economy role as both as an economic and a cultural value proposition a new body of research has begun to explore the diversities in the values that are sought to be maximized through cultural work. Research has revealed a complex structure and engagement with what are called 'the moral economies of cultural work', this reveals not simply the differences between the values, but sometimes their incompatibility and how they are managed via identity (Banks, Gill, and Taylor 2013). There are long recognised tensions between artistic and commercial values that are manifest in the cultural industries (Adorno and Horkheimer 1997). The research on moral economies has highlighted the diversity, and multiplicity, of reasons that people engage in cultural work; critically resulting in quite diverse expectations of process and outcome that it may hold, and what that means for their identity as a creator (Banks 2007; Hesmondhalgh and Baker 2010). A recent collection of case studies of cultural work in creative hubs sought to capture an insight into this 'other side' of creative hubs: that of the workers/users (Gill, Pratt, and Virani 2019). Gill et al.'s (2019) collection cautions against generalisation, and points to the way in which particular hubs define a distinct identity based on their users' needs and expectations, one that is situated (Virani, Gill, and Pratt 2019). For example, some are 'lone artists' and others seek to work to support worker co-operatives (Sandoval and Littler 2019). In both cases there is the recognition of the collective and shared potential (of the users themselves) which can be seen not simply as a skills or knowledge bank, but as a joint learning project: either within a collective, or amongst artistic practitioners. In the end, nobody creates 'alone' (even if at times they work individually).

Accordingly, the authors suggest that creative hubs can be understood as sites in which users seek to 'get the best of both worlds' by intermediating between atomised work common of the lone micro enterprise (or the lone artist) and that of the more social patterns of work found in, and encouraged by, many hubs. In a sense this insight is a 'hidden' one, or one that is not formally acknowledged. These patterns and process of work are seldom formalised as collective or formal collaboration. Users in many of these studies were seeking to explore the possibilities of the hub for interaction -one that made sense with their cultural and political compass- and, at the same time navigating the emergent moral economies of cultural work. Generally, hub

users do not recognise as binary divisions represented as “inside and outside” that both the policy and academic community often perceive. For many, reported in this collection, the hub enabled them to mediate between different communities of practice and appreciation (Lee 2019; Morgan and Woodriff 2019). Other chapters highlight the strategies that users pursue in using the ‘open possibilities’ of the social and spatial relations of the hub to resolve their own contradictions (or simply, their lacks) on a temporary or longer-term basis (Avdikos and Iliopoulou 2019; Cnossen 2019).

This collection, the first of its kind, reveals/illustrates the complex realities, or practices, or being a user of a hub. On one hand, the affective nature of cultural work in hubs (of course in all work, but it is particularly manifest in the ‘output’ and ‘process’ of cultural production) enabled what might be otherwise more ‘vulnerable’ groups and individuals (defined in terms of their relative exclusion from many normative financial, or aesthetic, or business systems) to find support and understanding: in the true sense an incubator. On the other hand, the more extreme versions of the ‘workspace’ movement (where one rents a desk by the hour) showed how atomisation of working practices and behaviour could be corrosive to the emergent creative hubs model (Merkel 2019).

This edited volume/collection which refocuses the lens of analysis on the social nature of (cultural) work clearly argues that creative hubs do not exist ‘outside of’ society, and hence all the social, economic and structural problems are reflected within them (Lee 2019; Virani and Gill 2019). Nevertheless, some creative hubs seek a more radical path of a ‘pre-figurative’ social organisation; in one case seeking to develop a version of the ‘cultural commons’ (Mert 2019, p. 171).

## Organisation and networks

The other side of the coin to the creative practice of hub users is, as implied above, is the wider social setting: the rational nature of hubs and clusters. Traditionally, real estate management identifies its role of maximising returns via rental income. The manager is there to achieve this purpose, as well as to perhaps play a caretaker role for the building. Essentially, this is an a-social definition of the role, and one that is common in the property sector. Arguably, if low rents and a secure location are all that is needed it may be sufficient. However, creative hubs are different: they are different due to their users, and their mode of operation, as well as the social and economic environment that they operate within.

Although there are many differences between the dimensions of organisation in the creative economy (Pratt 2012) it is possible to draw some general points. The creative economy has a ‘weakness’ due to its organisational ‘bifurcation’: a few large firms and many sole traders; resulting in a ‘missing middle’ (in organisational terms). The ‘middle ground’ (Cohendet, Grandadam, and Simon 2010; Lange and Schübler 2018), is normally responsible for mediation and exchange activities, and its presence or absence strategically affects the industry's capacity to operate (Lampel, Lant, and Shamsie 2000). The importance of intermediaries has been long recognised in the cultural economy, and the notion of a community of practice has been recognised as important in innovative situations (Lange and Schübler 2018; Nixon & Du Gay, 2002; O'Connor 2013; Virani and Pratt 2016). Both ideas underpin the notion of the creative ecosystem often

used to describe the complex support setting needed for a successful local cultural economy. Arguably, one of the key functions that hubs (clusters and districts) perform is to facilitate intermediations between otherwise isolated sole traders, and between the sole traders and larger actors. A recent report for the British Council (Pratt et al., 2016) highlighted the point that many hub managers identified this mediation and network facilitation role as central to a creative hub's potential success.

However, the activation of a intermediation in hubs is neither simple nor straightforward, it is a skilled job in itself. In part, of course, this echoes the moral economies of creative workers discussed above. For example, we can see a tension between the notion of providing a home or community for micro-enterprises and sole operators; and, simple provision of a sustainable (price, and security of tenure) workplace. Both for funding reasons, and based on common understanding, these options are often presented as opposites rather than a balance achieved on a continuum. Funders are usually caught between capital and revenue funding; capital provides much of the building cost, and revenue the management (which itself can run from simple property management to running a community). Revenue funding is subject to the uncertainties of political favour; hence capital funding, and buildings, usually come first benefit and the revenue funding - which may be sporadic - means that the community building aspect suffers.

We can also note that, historically, whilst workspace has been a problem in the general industrial policy narrative there has been a belated recognition in relation to innovative and creative activities that often suffer from a weak or ineffective institutional framework of a stable market, or audience. Indeed, academic research on innovation, technology and creativity has highlighted the value of the social environment that supports experimentation and innovation (Pratt and Jeffcutt 2009). This work points to the fact that in the recent past such 'institutional umbrellas' were provided by large corporations (such as the BBC in broadcasting): that is, these umbrellas protecting individuals or micro enterprises from the worst uncertainties of market. The necessary cross-subsidisation, and long lead-time of product development that is characteristic of both creative and technology products was commonly buffered by a large organisation. By contrast, small micro-sized organisations can afford research and development and institutional 'umbrellas'. Their alternative path is to concentrate on the risky strategy of getting their 'one big idea' to market. It is not by chance that networks, clusters and hubs grown found favour in the period of economic dis-organisation and fragmentation. However, the networks are often relatively 'invisible', and all that is visible are small and project enterprises (Pratt and Gornostaeva 2009).

The lessons of clustering, networks and intermediaries are hard won, against the more obvious political signalling of shiny new buildings or 'top down' "Porter" clusters. The soft skills of management and governance (and those of soft infrastructure and networks) have been either under-reported, or rendered invisible, by the property-led focus. This section has sought to stress that it is this building either without networks and institutions, or without a complex understanding of users, that has become part of the normative narrative of clusters. It is this partial view that has led to a lack of appreciation of what makes creative hubs 'work'. Nowhere is this one-sided perspective more problematic than in the process of

evaluation of hubs. Whilst, what we have to say does apply to the academic evaluation of a creative hub, our main focus in this paper is to query the very evaluation, as manifest in crude but practically important, 'Return on Investment' (RoI) calculations, on what is for most public bodies is **classed as** either a real estate investment, or a 'jobs created' target: both are measures which miss what we have argued in this paper is the primary purpose of a hub.

## Evaluations

All investments -social, economic or cultural-need to be evaluated against alternative uses for the same resources. The nature and extent of such evaluations are either determined by those making the loan, or internal procurement rules. Even with a standard economic evaluation there are problems regarding **its** **the** parameters **of an evaluation**: time, space/distance, and (what is of) economic value. Changing any one of these parameters can change the outcome of the calculation (Foley 1992; Turok 1991). Whilst actuarial norms on depreciation are less disputed, in social, environmental and cultural cases there is more contestation. A common solution is the development of proxies for things with non-market values (Throsby 2003). However, a more controversial question concerns what things are valued. As others have argued, **it this** is a particular challenge to resolve evaluations of cultural activities with economic ones (Crossick and Kaszynska 2014; Walmsley 2012).

Funding agencies and those managing projects have a (legal) duty to evaluate and monitor their investments; often there is an internal division of labour where project priorities are then converted into a 'bottom line' figure of the institutional accountants and decision makers. The particular problem for cultural activities is that their outcomes are diverse, encompassing social and economic outcomes, and secondary impacts. Economists have developed some techniques to creative 'proxies' **to cover for** the lacking data, or simply the 'un-valued'. However, the use of such measures is both limited, and carries a cost of calculation. Commonly, agencies fall back on the 'data that they have'; and 'tried and tested approaches'. Thus, the value of real estate, bricks and mortar, and the number of full-time employees is balanced with any running costs to produce a neat and succinct, (apparently) transparent metric: 'Return on Investment' (RoI). **Social and cultural costs and benefits are this effectively ignored, or at best under-valued.**

It will be apparent from the previous discussion that the scope of 'what matters', and 'what is relevant' to explaining and evaluating a creative hub is both diverse and can include many things that do not normally enter **an** investment valuation decision. This is the challenge that the research reported on here raises. We noted in the first section that there was a gap between what **different schools of** academic theory (mainly economic theory) considered as relevant factors. In the second section we **saw have seen** that the operation of hubs involves intermediation and artistic and creative practice that may attend to the maximisation of cultural values as well as economic ones. Clearly, a reductive economic analysis **carry will have** a significant risk of mis-representing decisions that were taken, **as well as misrepresenting and** the internal coherence of the rationales the 'users' operated.

As will be obvious, **any** such a calculation of RoI is partial, and will stress one part of the operation. Moreover, as governance is often in lockstep with outcomes and performance **measures** (and hence re-funding): **those concerned with** governance will tend to focus on the bottom line. The shape and purpose of the governance of any project, or hub is likely to be **itself framed** **shaped** by this narrow (evaluation) objective above all others: in fact, it may **in practice be reduced to** **turn into** a Key Performance Indicator (KPI) that will determine **- de facto - the parameters of** day to day management decisions. This, in effect, is the 'tail (of accounting and evaluation) wagging the dog (of creative practice)'.

The British Council Creative hubs report (Pratt et al., 2016) illustrates this process of hub governance and accountability, and illustrates how it often resulted in a conflicted role of hub managers. Interviews indicated **managers** **their** frustrations at being viewed as 'building managers' by some agencies; and, perhaps most seriously, that they were often held accountable solely on the profit and loss of the building, but not on the activities that took place within it. **These** critical activities deployed by the hub managers were the 'soft skills' that do not lend themselves to simple audit and evaluation. It leads on one hand to **their** activities being undervalued – or more likely not valued – as a professional skill, and as a governance process, that enables all parties happily working together. On the other hand, it can be argued that hub managers set themselves higher, **or different professional**, targets. As an example of this many of the hub managers that were interviewed **considered that** the basic economic questions of 'keeping the lights on, and the building in good repair' were **almost below consideration** **hardly considered**, as they **viewed them as** **were** basic and obviously had to be dealt with. The main challenge was the curate the complex interactions that animated the best hubs, and their communities. **However, they were not evaluated, or tasked by a KPI, to achieve this.**

As we have noted in the earlier part of this paper some versions of the creative hub are only operational at a theoretical level. The practical concerns related to a different model are suggested in the previous section of the paper. **That is those that w** **We** conceive of the types of challenges to forging and sustaining relevant knowledge transfer activities and supporting and developing a **community of practice**. The empirical governance of hubs is important; **but** governance concerns not only the day-to-day operation, but also the strategic direction. We have already emphasised that managing a hub is more than being a letting agent, or caretaker for a building.

The British Council report **further** suggests that the hub manager must act as a curator, who carefully selects those that will benefit for sharing the same environment to build a community. This does not mean selection **of tenants** on similarity grounds, or of profitability; it may often mean trying to populate a cultural ecosystem. It will require an assessment of the strengths and weaknesses of existing tenants and understanding what would help and challenge them. The skill set of the hub manager is therefore challengingly wide. The key point is that interaction and knowledge transfer does not 'just happen' it has to be supported and encouraged, **or and** left alone when necessary. The 'components' of a hub, skills, resources and networks are **simply** a potential until they are put together and activated.

The investigations of creative hubs that we have drawn on here (Gill et al., 2019; Pratt et al., 2016) suggests that research on *practices* needs to be reflected back not only to academic theory, but also to the financial and decision making of policy communities. As suggested by the discussion above such an understanding of creative hubs needs a more nuanced appreciation of the different values that mobilise various stakeholders; and, *questions regarding* what and whom creative hubs are for.

Central to the problem of governance is the diversity of practices that constitute particular hubs. These practices, and the subject identities of workers and artists generate a multiplicity of 'value' claims. It is common discourse and practice within cultural institutions to acknowledge, balance, and celebrate such diversity of values. However, when faced with normative and economically reductive evaluation, diversity is a profound weakness. Challenges to hub governance focus the tensions between *a priori* or normative notions of hubs, and practice and process versions; moreover, they highlight the balance between 'running a building' and 'curating a community'; finally, it shows the complex relationships between inside and outside the buildings. This last point concerns both the role of the community as an active audience, as well as a potential user group.

Beyond these economic and social evaluative issues and their contradictory relationship with governance, it is important to *indicate point to* the multi-scalar character of hub governance. A creative hub does not connect to other hubs, or to other activities in a city or a region by chance, *or simply due to proximity*: these relationships must be built, developed and worked at. It is a truism that networks are about 'working' the network. *The challenges of finding one* means (resources) and *a ways* to co-ordinate or complement a different scale and spaces is something that this often pointed out by hub managers. This is because many creative hubs, albeit comprised of sole traders and artists, as well as project-based enterprises, are often working internationally. Again, this is a point that escapes conventional evaluations. In the generic world of small firms, the *common* assumption *is-are* that the market for goods and services will normally begin by being specialist and local, with exceptionally firms operating nationally later. In the cultural field it is not unusual for a single person operator to be working internationally. This puts an unusual pressure of cultural practitioners to develop often expensive and specialised skills. Provision of support in terms of management, legal and trade knowledge is a common need that cannot realistically be delivered to every hub and needs to be a networked resource. These networks do not respect local, regional or national government boundaries, nor indeed the parameters of normal accounting and evaluation techniques.

## Conclusions

The aim of this paper has been to explore the phenomena of the creative hub, and to provide a critical evaluation. The evaluation is critical in two ways: first, to highlight to diverse and inconsistent definitions that are abroad; and, *point to hubs generally as a of* subject of advocacy and hope, rather than *of facts*. Second, to show that the definitional confusion, and bias in favour of the real estate dimension, has obscured what this paper argues is the central element of hubs: the users. The need to base any evaluation on what the hub can do for the users, rather than simply that of the building owner, or investor, is the key message here.

We argued for a clearer definition of a creative hub, a more expansive one to be tested against empirical analysis: one based on buildings as well as users and intermediaries. Conventional analyses and evaluations are founded based upon an unbalanced view that prioritises the particular rationality of the building developer or provider. We countered this by offering an insight into the diverse motivations and rationalities that drive both users/creatives and hub managers working as intermediaries.

The main burden of the paper was to challenge the static and limited definitions and underlying logic that explains creative hubs. In response we offered a complex understanding of the operation of the hubs as spaces of the interaction of users and building managers: a forum in which informal information exchange, learning, and social exchange of ideas takes place.

In summary, we can argue for more studies to concentrate on the particularity of creative hubs, the social, political and economic contexts, and their diverse users. The very diversity of practices is less of an ‘aberration’ from a norm, but rather the character of the norm. This was illustrated by the discussion of the moral economies of creatives; and the counter-rationalities of hub managers who sought to maximise social exchange rather than simply bottom-line profitability.

Aside from highlighting the different levels of evaluation and justification, values and valuations, that simultaneously exist in creative cultural hubs the paper gives and insight into a whole new problem-set that might need to be considered when proposing, managing and evaluating ALL cultural activities. It is not a question of either quantitative or qualitative; economic or social/cultural values: the answer is always quantitative and qualitative; culture, social and economic.

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## Footnotes

**Text Footnotes**[1]We will leave aside the issue of the increasing tension of gentrification that has led to cultural economy businesses being forced out of the city (Pratt 2018), an irony at a time when cities are being hailed as leading a cultural resurgence.