

# Mind the Understanding Gap

## The Value of Creative Freelancers



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# Contents

<b>01 Creative Freelancers in the UK</b>	<b>04-07</b>
<b>02 Creative Freelancers: The value they generate</b>	<b>08-11</b>
<b>03 Creative Freelancers: A typology</b>	<b>12-20</b>
<b>04 Creative Freelancers and Place: Policy directions</b>	<b>21-28</b>
<b>Acknowledgements</b>	<b>29</b>



**01**

**Creative  
Freelancers  
in the UK**

**“I like the freedom in terms of having a lot of my own personal input into the work that I’m doing, much more so than when I do work [whilst] employed for an organisation, and I don’t feel I have that much creative freedom with what I’m doing.”**

# Almost one third of the creative industries workforce is made up of the self-employed including freelancers, double the rate across the UK more broadly (DCMS, 2021).

Yet the role and contribution of creative freelancers in the economy remains poorly understood and under-represented. Such a lack of knowledge has been laid bare by the devastating impacts of Covid-19 on creative employment and freelancing, and the patchy support that freelancers have been able to access in response.

If the scale, growth and diversity of creative freelancers in the economy has begun to be recognised in recent times, understanding of their relationship with and contribution to the economy and society has remained limited. Are freelancers to be understood: as part of the rapid expansion and motivational force of (forms of) entrepreneurship in modern economies?; as new types and legal forms of (non-employing) businesses; another expression of the expansion of 'non-standard' and 'gig economy' workers in the economy?; and/or the result of ever more complex and differentiated systems for organising the production of (creative) goods and services?

As the range of organisational forms in the modern economy have proliferated so, in particular, the production systems of cultural and creative industries have increasingly been argued to be better understood in the sense of 'ecologies' or 'ecosystems' – networks of inter-linked (anchor) organisations, (micro) businesses and forms of freelancing, alongside global giants.

This report summarises our investigation of the contribution of creative freelancers to the economic, societal and place-based impacts of the creative industries. An in-depth Discussion Paper has been published at [pec.ac.uk/discussion-papers/creating-value-in-place](https://pec.ac.uk/discussion-papers/creating-value-in-place).

The research was informed by interviews with 84 creative freelancers who lived and/or worked in the Coventry city region, the London Borough of Waltham Forest, and the county of Northumberland. These individuals self-identified as creative freelancers and were generating an amount of income from creative practice/work. They were self-employed, sole traders, directors of limited companies, subcontractors, working in multiple jobs ('portfolio'), including a main or secondary job where they received a wage or salary.

The interviews were conducted between July and November 2020 and, on average, lasted for 75 minutes each. The interviewees provided detailed descriptions of their motivations and rationales, skills and competences, working activities, economic relationships, projects and networks and overall lived experience of creative freelancing.

Our project partners were Creative United, Coventry City of Culture Trust, London Borough of Waltham Forest and Northumberland County Council, all of whom have a strong and demonstrated policy interest in supporting the contribution of creative freelancers nationally and to their local places. Coventry has been awarded the UK City of Culture 2021 as part of its 10-year Cultural Strategy, Waltham Forest was London Borough of Culture in 2019 and Northumberland County Council has undertaken a sustained investment into its heritage, arts and culture assets, including as part of its rural development activity.

## This Report sets out:

- **The range of value generation** for the economy and for society of creative freelancing
- **A typology of creative freelancers** based on their generation of different types of value
- **Policy directions** to support the full and sustainable contribution to the economy, society and places of creative freelancing.



# 02

**Creative Freelancers:**

**The value  
they generate**



**“The necessity of  
being a freelancer  
goes hand in hand  
with the arts.”**

One of the consistent themes of the freelancer interviews was clear ideas about the different forms of value to which their business activities were contributing. These included generating economic value through growth and inputs to production processes, the cultural value of their work (including its benefit for places), and their contribution to a range of wider social value impacts. Freelancers varied in the relative weight they assigned to these different forms of value, but many articulated a contribution to more than one form. We summarise these in turn.

### **Generating economic value** **The contribution of creative freelancers to the economy, productivity and economic growth.**

- Creative business entrepreneurship is connected to seeking financial gain and potentially growth-orientation, but more so to undertaking the independent and profitable delivery of creative goods and services. This reflects the dynamics of entrepreneurship seen across the national economy in recent decades (for example, the expansion of self-employment).
- A further form of economic value generation is as a specialised and skilled input into creative sector production chains. In economic terms some freelancers are providing (often high) value added functions of significant importance to the operation of the production chain to which they contribute.
- Input of capacity and capability comprises another form. The freelancer is providing capacity and capability in the creative production system to support the generation of economic value for others, albeit that their labour can potentially be substituted with greater relative ease. Such creative inputs may be supporting cross-sector growth whereby creative freelancers' skills are being utilised ('embedded') within non-creative sectors across the wider economy. In other words, not just creative activity and occupations in the creative industries but, also, creative occupations and activities across the wider economy.
- A final contribution is of market-making in the economy. Creative freelancers contributing in different ways to the economy through new products, services, experiences and performances, and developing the markets for these as the basis for emergent economic value generation. These activities are often small-scale or micro-level activities.

## Generating cultural value

The difference to people's lives and society made by engagement with arts and culture.

- Creative freelancers express their goals as to support the intrinsic contribution of culture and creativity to the self and the individual, and to a greater concept of society. Activity is motivated by the recognition of the generation of cultural value through individual creative practice and the shaping of reflective (groups of) individuals through their engagement with and experience of creative products and services.
- More broadly is the sense of contributing to a cultural ecology, and relationships of flow and movement of ideas, product and content valorised more by shared cultural development, activity and the joy that it brings rather than economic value. In turn, such contributions are recognised as contributing to a sense of belonging and the attractiveness, distinctiveness and 'buzz' of places.

## Generating social value

Wider articulations of the social impact of creative activity on individuals and communities.

- Creative freelancers value an array of social benefits generated through their practice. Policy frameworks identify such benefits as supporting citizenship and community outcomes including civic society, inclusion and cohesion, environmental awareness, etc. through, for example, the activities of artistic and musical workshops for (seldom-engaged) groups attracted through these channels.
- The growth of socially engaged practice provides other examples, focused as it is on the process of participation rather than the creative output per se, supporting individual development and to address a range of social issues such as health and well-being. Part of a broader movement towards participatory arts, it has been noted how such practice is growing as a delivery arm of intervention services.



**NB.** Whilst an array of value generation activity across the economy, culture and society was identified through interviews, the economic profile of the 84 creative freelancers interviewed was mixed and included finding a significant incidence of low earnings from creative work.

**03**

**Creative Freelancers:**

**A typology**

**“It’s about balance,  
between a good  
income and not  
feeling overwhelmed  
and stressed, being  
in control of my  
own time.”**

In support of understanding the diversity of creative freelancing models and the generation of value, we propose a typology of creative freelancers:

**Creative Entrepreneurs**

**Creative Contributors**

**Creative Work-Life Balancers**

**Precarious Projecteers**

**Creative Ecologists**

**Community Creatives**



# Creative Entrepreneurs

“I’d like to be expanding... I suppose I’d like to be ‘small to medium’ one day. I’m not sure I ever wanna be a ‘large’ business, you know, I think that probably takes a lot of the fun out of it.”

This group of creative freelancers express relatively strong entrepreneurial motives around financial gain through creative activity. At least sufficient income is a characteristic key success factor. They seek profitability and potentially business growth and trade through production relationships and networks which support this ambition and motivation. They work within and beyond the creative industries, tending to choose the independence of freelancing (or accommodating this as the sectoral expectation). Independence is valued although the freedom of satisfying work conditions and choosing clients is balanced against financial motivations. Updating of skills, especially creative, and beyond their initial discipline, is seen as a characteristic of the model. An array of creative products, inputs and services are delivered by creative entrepreneurs – for example, from craft to graphic design to social media influencers.



# Creative

# Contributors



**“I wasn’t interested in running a business, I just wanted to be an illustrator! I was quite happy having somebody pay me to be an illustrator.”**

This group is characterised as a broad array of freelancers ‘doing creative things’ in the economy – everyday, delivering, within and beyond the creative industries. Their inputs vary in value dependent on their own level of skills but possibly more so related to the production chain and/or sector to which they input. In general they have found and manage (mostly confidently) their economic contribution as freelancers into the production or value chain for creative goods and services. Whilst income generation is clearly important, success is as likely to be framed around other success factors - such as choosing the work undertaken, client satisfaction, and personal growth. Other sources of income may support this position – such as other household income (partner earnings) or portfolio working. Networks are important to maintaining their freelancing role, but usage of business support tends to be negligible and skills updating sporadic. For a few, the struggles of the pandemic have raised searching questions as to the continued income rewards of being a creative contributor.



# Creative Work-Life Balancers

**“I can be here when kids come back from school and can arrange meetings around that. I’m in charge of my own time, I don’t need anybody’s permission to do the things I want to do. It’s great.”**

This group of creatives tend to be very clear in their current motivation; it is to achieve a work-life balance alongside their creative activity. Characterised by valuing the importance of autonomy in the work process (flexibility in the how, when and where of performing work tasks), this autonomy allows these creative freelancers to work in a particular way and to prioritise work at particular times and other activities at different times. In some cases this includes caring for family and, typically, for young children. Sufficient income can be created from freelancing alone, characteristically through commissions but, equally, there are likely to be other income streams into the household.

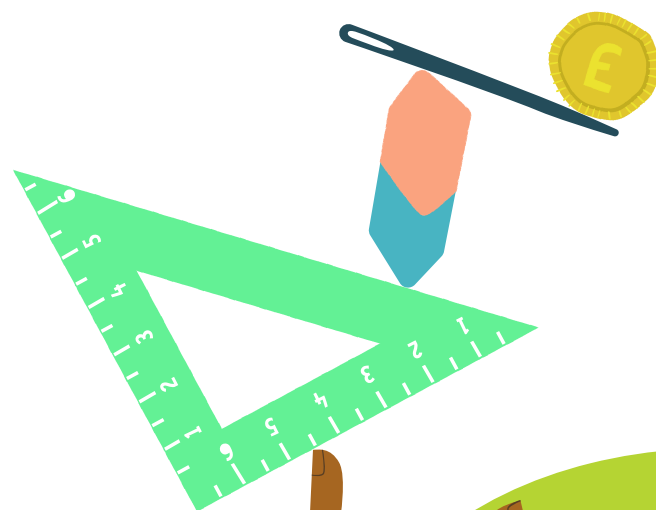


# Precarious Projecteers

**“This is the only way I can do the job I want to do, there is no alternative”**

The scenario is of less ability to choose projects and clients to achieve sufficient income, or to choose the terms and conditions on which work is accepted and undertaken. This form of working has most closely associated creative freelancing with the emergence of the 'gig economy' and project-based working, whereby creative inputs are brought together for short periods of time to deliver a particular output before disbanding. Networks are often critical – they are the pool through which project inputs are brought together. In some instances the constancy and trust of regular and repeat contractual relationships are sufficient, too often it is more akin to freelancers having to take what they can get and win (including, for example, absorbing the costs of multiple bidding).

In worsening freelancer scenarios this is about uncertainty, anxiety and competition for work – including the pressure on, for example, day rates and contracting terms. In some scenarios there is dependency on very few clients – and a form of pseudo- self-employment. For some, the struggles of the pandemic have raised searching questions – and anger – around the fairness and personal sustainability of projecteering.



# Creative Ecologists



**“I would find it very hard to get out of bed to do something I didn’t care about. I’ve been obsessed with the arts and cultural industries all my life. I believe this makes a proper contribution to the community, to the world.”**

The characteristic motivation for this group is their creative practice and output and, more broadly, contributing to the cultural ecology of society. Often connected to the projects and commissions of cultural institutions, with a tendency to be embedded deeply in networks, including internationally, those who achieve stronger cultural reputations are likely to achieve sufficient income also. Choice of client exists but working terms and conditions are generally a given. Those with weaker connections to institutions may exhibit more precarious working lives, potentially supported by other income streams, but remain committed to freelancing given the creative autonomy it allows. This group tend to show commitment to continuous creative skills development, building directly upon previous qualifications in their creative discipline. Their commitment to cultural ecology may be related to a tendency to live and work in the same locality.

# Community Creatives



**“I work with a group of stroke survivors and to be able to see them return every week and to enjoy what they do and to really feel part of that group... Letting groups have their own identity – I never call myself a teacher, I am part of the mix. Learning from each other. Not about earning – the earning bit is not realistic in the arts world.”**

The characteristic motivation for these creative freelancers is social, using their creative skills and methods to achieve social impacts (‘beyond the cultural’) on others and communities. They enable and facilitate participation through their creative practice with the aim of achieving social benefits such as social inclusion, well-being, human rights, community development, etc. Success is understood as their impact on others, even if sufficient income is not always achieved as a freelancer. This group is as likely to work outside of the creative industries as inside. Their enabling role may see a tendency to practise across creative disciplines and characterised by a greater likelihood to partake in creative skills development. Their commitment to social value can be related to a tendency to live and work in the same locality.

# 04

**Creative Freelancers  
and Place:**

**Policy  
directions**

**“Success is being able to pay your bills, survive financially while still pursuing the artistic endeavours that you want to.”**

**The contribution and value generation of creative freelancers is framed by their motivations concerning the types of value generation they seek and their ability to achieve this within the wider structures and environment set by the labour market, sector and business environment. Creative freelancers provide economic dynamism and skilled inputs, but many also experience low and insecure incomes, and occupy an economic niche that has remained something of a policy blind spot. We have identified policy implications and recommendations from our findings for national government, creative and cultural sector institutions and local place-based policy.**

# Policy Domain One:

## Recognising, Embracing and Supporting Freelancers in a Changing Labour Market

Even pre-pandemic, creative freelancing was characterised by significant employment insecurity and low incomes for many. This experience speaks to the wider question of the changing nature of the labour market and the extent to which existing systems of employment policy, tax and welfare are suited to these shifts. These systems set the framework in which (creative) freelancers operate.

### Recommendation 1:

**Support the movement for good work – including in self-employment and freelancing.** National government has a critical role in setting the conditions which frame the prospects for good work – including regulatory, business support and social security mechanisms required to support a comprehensive and positive vision and environment for dynamic and agile models of employment such as freelancing.

### Recommendation 3:

**A system of adult skills and lifelong learning** designed to support individual contributions to the economy and community throughout the diversity of individual life courses. Such a system would be more supportive of individual creative freelancer business models, including how they change over time (start-out, start-up, mid-career, breaks, fallow periods, growth, portfolio, etc.).

### Recommendation 2:

**Development of income support and employment schemes** which recognise and support management of the potentially volatile income flows of precarious and project-based work. International examples and exploratory schemes already exist.





# Policy Domain Two

## Enacting Good Freelancer Employment and Procurement Charters

While the Government sets a framework around good work, and public funding settlements partly frame what is possible, it is often intermediary institutions and stakeholders within the creative and cultural sector who play a critical role in determining the conditions of employment which freelancers experience. Many freelancers are contracted by (powerful) funders, institutions, organisations and businesses who determine the processes of procurement and the terms and conditions of contracts.

### Recommendation 4

**A focus on better business practices in the sector and its array of contracting organisations.** Institutions and stakeholders play a core role in setting the environment for and practices of procurement (including costs and barriers) and contract terms and conditions (not just simply onerous but also, for example, hidden labour and late payments). Contracting organisations have a central role to play in addressing the normalisation of myriad and repetitious project-based and fragmented contracts as an inevitable organisational mode for the creative freelancer. New and exploratory schemes exist. For example: 'Social Value Procurement' practices are now gaining strong momentum within the public – and private – sectors; the 'open and trusting grantmaking: A Call for Action' has been launched by a group of UK foundations and charities and the Creative Industries Federation is part of a call for a Freelancer Commissioner (building on the successes of the Small Business Commissioner).

### Recommendation 5

**Engage actively with debates about shareholder and stakeholder responsibilities of organisations** to their employees and, also, to their supply chains, customers and communities of impact. Such breadth of debate is required in order to achieve comprehensive and widespread use of responsible, thoughtful, innovative and inclusive contracting - including in support of creative freelancing as a sustainable supply chain model and across the ecosystem of organisational clients for creative freelancers.

### Recommendation 6

**Creative freelancers should be actively supported to enable participation in these debates,** the structures within which they take place and subsequent actions. Part of the under-the-radar problem to date are the barriers to participation for creative freelancers, including payment. This should be understood as a part of the broader agenda for the creative industries to meet the substantial challenges of diversity and inclusion in order to enable the full array of inclusive talent pipelines and supply chains.

# Policy Domain Three

## Place-Based Policy and Creative Freelancers

There is a long tradition of place-based organisations such as Local Authorities and local economic development institutions investing in both their cultural ecologies and creative economies. The pandemic crisis has highlighted the current weaknesses and vulnerabilities of this critical ecosystem of economic infrastructure, supply chain systems and talent pipelines. The diversity of creative freelancer business models implies a range of local policy domains that have impact and/or potential traction on the business lives of creative freelancers – including domains beyond local cultural and economic policy.

### **Recommendation 7**

#### **Provision of appropriate business support.**

There is a known sectoral issue of limited and patchy engagement with business support programmes (including start-up and access to finance), poor understanding of the generic agencies and delivery channels and concerns amongst creative freelancers about 'relevance' and lack of understanding of creative and freelancer drivers. Evidence exists for

- i) usage of bespoke, targeted and 'like-minded' schemes; entailing communities of practice and (sub) sector associations, and schemes developed with as well as for creatives and
- ii) demand for social capital and network-based approaches to professional development – investments in people.

### **Recommendation 8**

#### **Use of appropriate funding models.**

New initiatives – including bidding support and training in call-outs, longer duration fellowships, residences and service level agreements, team-based R&D&I projects, payment for engagement and co-creation participation, front-loading of payments – all reflect funding examples entailing recognition of the distinctive characteristics and operating modes of creative freelancer business models. Current funding regimes too often range from the dominance of capital and organisation-driven funding schemes and growth funds through to the burden of short-term, small scale project and commissioning competitions.

## Recommendation 9

### **Investment in creative freelancer infrastructures.**

Moving through ecosystem scales this includes: supporting and managing (the spaces of) home-working – access to ubiquitous broadband speeds and 5G, cheaper energy, equipment, planning consent, care provision; the highly flexible provision of co-working/network spaces and hubs, hot-desking, studios, showcase spaces (galleries to the street, markets, pop-ups, high streets, etc.); supporting the critical role (and best practice) of the institutions of the cultural ecology and (pipeline talent and R&D) venues; and management of the night-time economy as safe and sustainable creative marketplaces, including the provision and costs of transport.

## Recommendation 10

### **The use of place-based policy to recognise, fully value and fully invest against the value generation of creative freelancers in support of place-based outcomes.**

New approaches to and models of 'place-based policy' are emerging in the (post-pandemic) search for more prosperous, fairer and resilient places. The potential of place-based policy to utilise and maximise the value of creative freelancing can begin to be imagined. For example, investing in:

#### • **Creative Entrepreneurs**

Targeted and tailored growth-orientated business support through the place-based investment rationales of economic and cultural value generation.

#### • **Creative Work-Life Balancers**

Supporting an inclusive growth mechanism, enabling participation in employment and contribution to place-based productivity combined with the additional delivery of further mixes of social and cultural value dependent on how these individuals choose to use their unpaid hours (household care, volunteering, creative practice, etc.).

#### • **Creative Ecologists**

As part of renewed investment in culture and creativity to support prosperity, 'place-buzz' and well-being in places.

#### • **Precarious Projecteers**

Through place, stakeholders acting as anchor institutions in their own rights and as funders capable of enacting good freelancer employment and procurement policies in their local ecosystems.

#### • **Community Creatives**

Targeted support and development schemes which understand and harness their delivery of combinations of economic, cultural and social value generation.

The diversity of creative freelancer models continues to hinder policy responses which reflect both their full contribution to economy and society, and their on-going vulnerability as sustainable business forms central to the growth story of the UK creative industries. In this report we have demonstrated how one can begin to sketch out the potential and possibilities for, and challenges of, a policy environment that understands, values and responds to the creative freelancers of today's place-based economies.



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The contents are the views of the authors of the report.

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# Creative United

This report is published by [Creative United](#) on behalf of all the project partners.

Creative United is an entrepreneurial community interest company and Arts Council England funded Sector Support Organisation that strives for economic growth and social impact in the arts, cultural and creative industries.

We provide a range of programmes and business services which enable the development and sustainability of organisations and enterprises operating within these sectors.

Our vision is for artists, creative enterprises and cultural organisations to have access to the specialist skills, professional advice and services they need to achieve their ambitions for growth and impact within their communities.

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