SUBMISSION FROM WASPS (WORKSHOP AND ARTIST STUDIO PROVISION SCOTLAND)

The Committee is hoping to hear from businesses, membership organisations and academics the extent to which social enterprises and employee owned businesses, by their very nature, encourage cultures of innovation. Wasps’ evidence is set out under the four main aims provide by the Committee in its guidance documentation as follows:

Part 1: Understanding the scale and growth of social enterprises and employee-owned businesses in Scotland

Wasps Studios is one of the UK’s largest cultural studio providers accommodating Scotland’s largest cultural community, as recognised by Creative Scotland. Established as a Trust in Dundee 39 years ago, we now operate in 17 locations across Scotland from Shetland to the Scottish Borders. We are specialists in creative space development and management, providing affordable workspace for around 900 visual artists, crafts makers, creative industries and cultural organisations.

Scotland is a nation of art lovers. Last year 1 in 5 people – almost a fifth of the population – visited art galleries. Wasps is the backbone of Scotland’s rich and vibrant cultural life. Much of the artwork that is seen in galleries and venues across the UK, and internationally, is created in our studio spaces. Yet despite this contribution, many artists and arts organisations survive on low, precarious incomes: 83% of artists earn under £10,000 from making art.

Wasps’ social mission is therefore to provide the space, time and opportunities for artists to experiment with ideas, make art and engage with their communities. We provide affordable studios at around half the market rental rate to support artists’ careers as well as a network of exhibition spaces for artists to show their work. Ultimately, we want to harness our national network of cultural buildings to engage people in the arts, promoting awareness and understanding of contemporary art through exhibitions, open studios, workshops, residencies and public debate.

We aim to improve, develop and expand our studio network strategically across Scotland, responding to the changing needs of artists and other creative people. Our work involves buying and redeveloping historic, forgotten buildings into beautiful arts facilities. So far we have raised £22 million to improve workspaces for artists and now own two thirds of our property portfolio, securing low cost workspaces for future generations of artists.

Wasps’ is a self-financed social enterprise that generates income through property letting and management. We have an annual turnover of £1.5m and reinvest that income back into the business to:

- Maintain our properties,
- Invest in developing studios in new locations and
- Deliver an exciting arts programme which connects and supports creative people across our network
Six years ago we expanded our tenancy offer to accommodate Creative Industries and we now have a successful creative hub model which we are in the process of rolling out across Scotland’s smaller cities; Perth, Inverness and Stirling.

Wasps’ was awarded Social Enterprise of the Year in 2014 as a result of our success in becoming a self-financed organisation, with 99% occupancy across the estate, 79% customer satisfaction, retaining a strong social ethos from the outset of our establishment, 39 years ago.

**Part 2: Hearing examples of innovation from businesses, for example employee involvement in developing new products, services or processes and innovative partnerships within communities**

Wasps achieved a long-term ambition to become a financially solid and self-financing social enterprise in 2013. This was a very significant milestone for the organisation and, indeed, for the entire cultural sector. It shows there is an alternative way for cultural organisations to be sustainable over and above grant funding.

In addition, Wasps are trailblazers in creative space development and management. Our pioneering South Block project, the first to mix subsidised studios for artists alongside commercial office space for creative industries, won a raft of awards including:

- 2013 RIAS Andrew Doolan Best Building in Scotland Award.
- 2013 RIAS Historic Scotland Award for Conservation and Climate Change.
- 2013 RIAS Winner – Commercial Category.
- 2013 Scottish Design Awards Winner – Interior Design Category.
- 2013 Scottish Design Awards Commendation – Low Cost Projects Category.

We are currently expanding our offer by developing Scotland’s first Creation Centre (the UK’s largest) providing dedicated space for dance, circus, aerial performance, street theatre, disabled performance and visual arts, in the Briggait, Glasgow, in line with demand in the market for dedicated, affordable, accessible space. This project is engaging with local communities through schools, housing associations and colleges to ensure the opportunities presented by such a project will be shared as widely as possible.

A summary of key achievements demonstrated through innovation as an organisation are set out in a number of areas as follows:

**a) Vision and Strategy Direction**

- Raising £22m in public & private funding to bring derelict buildings back into use for the cultural community
- Growing in scale and expanding into the commercial property market
- Becoming a self-financing social enterprise through trade
- Dramatically improving the quality of workspaces while remaining affordable for artists and charities.
b) Leadership and management

- 99-100% occupancy across the whole estate (18 buildings)
- 99.3% rent collection
- High approval ratings from our tenants – 79% satisfaction from artists identified in a survey in 2013.

c) Social, environmental and community impact

- Supporting around 1000 creative people across Scotland each year
- Engaging with local organisations and partners in each location to ensure every studio building becomes an integrated part of communities
- In 2014/15:
  - Wasps’ hosted 96 exhibitions and events
  - Attracted an estimated 30,000 visitors
  - Exhibited the work of 185 artists
  - Wasps’ artists contributed to 600 local, national and international exhibitions
  - Wasps artists held 667 workshops that benefited over 5,056 participants
- Tenants said that having a Wasps’ studio has the following benefits:
  - 89% - makes me feel part of a wider creative community
  - 83% - enables me to make artwork which I otherwise wouldn’t be able to make
- Wasps won the 2013 RIAS Historic Scotland Award for Conservation & Climate Change.
- Developing 12,200 square metres of derelict space in the past 6 years.

Part 3: Assessing the sources of funding and support available;

In the past three years Wasps has demonstrated sustainability in terms of profit and growth by generating 98% of income from trading, with a turnover of £1.5m and an operating surplus of £60k generated in the last financial year.

Wasps became one of the first (possibly the only) mainstream cultural organisations to borrow to enable our enterprise to grow, in a sector where handouts are the norm. This was achieved by investing in a more commercial property market, leasing space to creative industries at lower than commercial rents to generate profits for reinvestment in the organisation. This investment enabled turnover to double in a six year period, staff numbers to double and the organisation to become self-sufficient.

In order to continue to grow and develop more properties, Wasps regularly seeks capital funding from a number of sources, primarily public sector grants for building redevelopment including Local Authorities, Heritage Lottery Fund, Historic
Environments Scotland, Big Lottery, Creative Scotland and a range of Trusts and Foundations. We also seek out private and corporate sponsorship for specific events, exhibitions, residency programmes and exchanges.
Part 4: What public bodies are doing and should be doing to encourage these business models.

Wasps has benefitted from the support and partnership of public bodies across most of its areas of operation and indeed it is clear public bodies have benefitted from the relationship too.

Wasps has been in a position to take buildings declared surplus to Local Authority use, develop a business plan and funding package for each, then manage the process of bringing them back into use, saving the building for future generations and generating employment in the process.

Public bodies should therefore look to support social enterprises to deliver services or activity which they cannot achieve, perhaps due to a lack of in house resource or specific expertise, community buy in or access to the range of grant funding and borrowing that a social enterprise is sometimes better placed to access.

Social Enterprises require public bodies to signpost them to support and funding streams as well as to opportunities which a Social Enterprise could perhaps deliver.

Wasps is a member of a social enterprise network which regularly arranges events to allow members to engage with public bodies on a range of current initiatives and consultations. This opportunity to network and engage in current public sector priorities on matters ranging from procurement to policy development is valuable.

Social Enterprises are now recognised as making a significant contribution to Scotland’s economy in terms of turnover, impact and employment. Public bodies should therefore seek to acknowledge this by providing business support and resources as they do to other key sectors of the economy.