

## **Chard Business Hub Project**

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### **Purpose of Report**

To report on progress of the Chard Business Hub project.

### **Public Interest**

The business hub will provide low-cost office space and business support for new business start-ups, local businesses and businesses relocating into the area. It will be open to all-comers and will particularly encourage digital and media business.

### **Recommendation**

That Members note and comment on the content of the report.

### **Background**

At the February 17th meeting of the Area West Committee, members:

- Agreed, in principle, to support the development of a business incubation hub based in the Holyrood Lace Mill (The Chard Business Hub project).
- Appointed the five Chard District Council Members to Initial Hub Project Board to oversee the detailed definition of the project and its initiation, subject to further detailed approval by the Area West Committee.
- Appointed the Neighbourhood Development Officer (West) as Project Manager

At the June 15th meeting of the Area West Committee, members:

- Agreed to support the Chard Business Hub Project as detailed in the report.
- Agreed that up to £49,640 from the Area Reserve can be reallocated to the Hub Project.
- Allocated up to £63,920 from the unallocated capital programme to the Hub Project.
- Agreed that the project will explore if some of the project costs can be met from other sources including the Regeneration Boards.
- Authorised the Initial Project Board to continue as the Project Board (PB) and add Board members as deemed necessary and appropriate to supplement their skills and expertise as the project progresses.

The Chard Business Hub project aims to set up a flexible business incubation space based on the 4<sup>th</sup> floor of the SSDC owned Holyrood Lace Mill in the centre of Chard and operate it for up to three years:

- Attracting people and businesses into Chard town centre
- Building new enterprise and creating new jobs
- Supporting and digitally enabling local businesses
- Supporting and enabling community projects and groups
- Raising the profile of Chard locally, regionally & nationally
- Building confidence, demonstrating demand and attracting investment (new businesses, new facilities)

- Reducing risk with a two stage development: an initial low cost “Inclusive” stage to demonstrate demand, followed by an externally funded “Prestige” development.

## Project Progress

### Governance

The Project Board has been formed and meets on a monthly basis. Chaired by Carol Goodall, project sponsor, with vice-chair Jason Baker, the board is comprised of the five Chard Members, a provider representative Garry Green from SSDC Property Services as landlord, and a user representative Ian White of the Chard Town Team and business networking organisation Chard Business Voice Ltd.

The project manager is Dylan Martlew, seconded to the project for 50% of his time. Admin support is provided by the SSDC Area Support team.

### Progress summary

	Phase / Workstream	• Progress	Planned completion	Status
1	Start-up	85% complete	2/11/16	Amber
2	Design & Build			
2.1	- Project management	ongoing	ongoing	Amber
2.2	- Marketing & promotion	5% complete	12/5/17	Amber
2.3	- Premises	20% complete	16/5/17	Green
2.4	- Digital connectivity	5% complete	16/5/17	Green
2.5	- Operation (prep. for)	5% complete	16/5/17	Green
2.6	- Business eco-system	5% complete	16/5/17	Green
2.7	- Community projects	not started	16/5/17	Green
3	Launch & SSDC operation	Start May/June17	by May/June 20	Green
4	Independent operation	Start TBA	by May/June 20	Green

**Amber status** is due to slower than anticipated progress, primarily due to availability, workload & resourcing arising from the innovative nature of the project and it resting outside the direct experience of the various services involved. Delays in Phase 1 have had a knock on effect into Phase 2. Project Board has asked to see briefs and competitive quotes for key areas of work. This process means some increase in delivery timescales and costs.

### Progress Highlights

#### Phase 1 – Start-up

- SSDC Project Methodology implemented and Project Initiation Document (PID) circulated for sign-off.
- Agreement reached over premises costs whilst the project is run by SSDC i.e. no rental, service charges will reflect actual additional costs and no recharges for internal services such as use of the corporate accounting system.

#### Phase 2 – Design & Build

The design and build of the hub is progressing in several workstreams:

### **Workstream 1 - Project management**

- Project Board has adopted terms of reference
- Detailed project plan agreed moving launch from October 2016 to May 2017. (Final date to be agreed.)
- Comprehensive Business plan in development.

### **Workstream 2 - Marketing & promotion**

- Branding developed and agreed with Project Board, equalities assessment in progress.
- Marketing brief developed with Public Relations Officer. Potential providers researched. Brief to be circulated to providers with invitation to quote. Outcome to PB for decision
- Websites in development
- Event programme in development. Hub to host first events in early December: Friday 2/12/16 8am 'Business Breakfast', Saturday 3/12/16 11am 'Coffee & Cake'. Pop-up Engine Shed training course targeting local residents w/c 30/1/17.

### **Workstream 3 – Premises**

- 4<sup>th</sup> floor agreed with Property Services
- Revised layout (without video editing suite) agreed (see below)
- Requirements for access controls, entry systems, fire alarms, digital & power connections, floor boxes, Wi-Fi and works have been specified and are with Property Services for quotations.
- 4<sup>th</sup> floor cleared and donated desks laid out. Property Services are repairing décor.
- Furniture and equipment requirements have been specified and are being priced ready for procurement.

### **Workstream 4 - Digital connectivity**

- Outline specification created and quotes from four providers including SSDC ICT Services have been produced.
- Detailed specification developed with ICT and Property Services which will be used for final quotes and selection of provider.

### **Workstream 5 - Operation**

- Work on how financial systems will work and integrate with SSDC is progressing, for example how the hub will take, record and account for payments received within the SSDC corporate finance system is being developed.
- Revised business plan in development

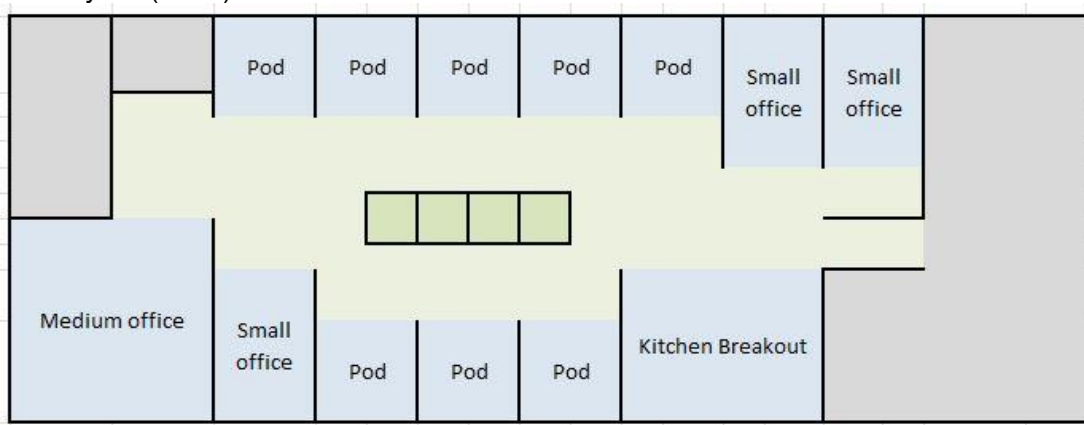
### **Workstream 6 - Business eco-system**

- Research into delivery partners is in progress.
- Good interest shown in holding events and workshops in the hub, including networking by Chard Business Voice and training events by The Engine Room, Somerset Digital Inclusion Group, The Business Garden and COSMIC.

### **Workstream 7 – Community Projects**

- Research into bid-writing support is in progress.

Hub layout (4<sup>th</sup> flr)



### **Project funding**

Area West Committee required that the project explore if some of the project costs can be met from other SSDC sources including the Regeneration Boards. Pursuing funding from external sources is still part of the project, but the focus is currently on getting the hub up and running.

### **Regeneration Boards**

An application for funding was presented to the Strategic Regeneration Board (SRB) in August 2016. At this time no funding was available despite strong support for the project. Pursuing funding through the SRB risked delaying the project. At the hub project board meeting on the 1<sup>st</sup> September 2016 members agreed to *'move ahead to set up the Hub with the funds from Area West and then apply for central funding at a later date if additional funding is required.'*

### **Central Support**

Whilst the Hub is run as an SSDC project rent will not be charged, services charges are reduced and recharges for SSDC central services would not apply. Whilst there are additional costs associated with running the hub as part of SSDC this is a net cost saving which amounts to in kind corporate support for the hub project. The saving will be quantified in the business planning.

### **Financial Projections and Implications**

Of the agreed £63,920 capital and £49,640 revenue the committed expenditure to date is £2,517.

With the provisional launch date moved to May/June 2017 some capital and some revenue expenditure planned for 2016/17 will be moved into the 2017/18 financial year. The project financial plan and the hub business plan are being updated and revised budgets will be available when that work is completed.

### **Implications for Corporate Priorities**

#### **SSDC Council Plan 2016 – 2021 “Tackling the Challenges”**

The Chard Work Hub is high priority in the 2016/17 Annual Action Plan.

## **Chard Regeneration Scheme**

*“Work with the council and private sector to encourage the development of new incubation workspace in the town centre to promote social enterprise and innovation. Provide multi-functional spaces that support potential business start-ups and the artistic community of the area. Use the incubation spaces to promote innovation.” Page 42, Chard Regeneration Framework (Rev.C 2010), LDA Design*

## **Carbon Emissions & Adapting to Climate Change Implications**

Chard is of a size where a healthy resident could easily walk or cycle to the centre to their workplace. The hub could reduce commuter car miles and subsequent carbon emissions. Use of digital technology also reduces the need to travel.

## **Equality and Diversity Implications**

The hub will open to all and will be promoted to all groups and members of the community. Any promotional materials will be produced to an accessible standard.

The building and fourth floor are accessible and conform to equality and diversity legislation.

Access4All will undertake a full access review and will also advise on plans for the hub as they come forward.

## **Background Papers**

1. *Chard Business Hub Project, Agenda reports pack, Area West Committee, 15th June 2016. (Includes February hub report)*
  2. *SSDC Council Plan 2016-2021 (Adopted April 2016).*
  3. *Chard Regeneration Framework (Rev.C 2010), by LDA Design*
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