

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	23 July 2013
Title:	Armed Forces Enterprise Centre
Reference:	5000
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

1.1. The purpose of this paper is to seek approval to provide a start up grant fund directly to WSX Enterprise to the amount of £160,000, to enable the company to create and manage a successful enterprise centre at Mandora Officers Mess, Aldershot. It is the intention that this enterprise centre will be heavily marketed to and significantly used by ex-military personnel and their families, veterans, reservists, to encourage self-employment as a viable career option, and to create future jobs. It will also be used by the wider community.

2. Contextual information

2.1. Hampshire County Council and the Military are working in partnership to ensure there is support and advice for Armed Forces personnel and their families, Veterans and Reservists. Hampshire County Council and the Military in Hampshire are part of the national Welfare Pathway, designed to ensure that members of the Armed Forces community have access to the help and support they need (<http://www3.hants.gov.uk/adult-services/welfarepathway.htm>).

2.2. To support this agenda, in 2011 partners including HM Forces, Rushmoor Borough Council, and Hampshire County Council commissioned studies which identified the demand for an enterprise centre in Aldershot. Interviews were conducted at the Armed Forces Employment Fair held at FIVE in Farnborough in 2011, with serving members of the Armed Forces who knew they would be leaving in the following 2-3 years. The enterprise centre would provide commercial work space available on flexible terms (Easy-In, Easy-Out) for fledgling enterprises, ideally run by ex-military personnel, their families, veterans or reservists, but also by members of the wider community. The studies also highlighted that it would be positive if business support,

advice and training could be provided in the centre, to support the growth of tenant businesses.

- 2.3. Partners agreed that the most effective delivery method would be for a private sector operator to take on a lease and associated costs, terms and conditions of any building directly, and directly run and manage the centre. Where possible the public sector would help to facilitate this, but not take on a lease or asset.
- 2.4. In September 2011, £189,000 of capital funding was ring-fenced by the Executive Member for Economic Development and Rural Affairs, to be used exclusively for the purpose of enabling the enterprise centre to happen.
- 2.5. With surplus MOD buildings becoming available through the Aldershot Urban Extension development it was agreed that an enterprise centre could be run in a redundant MOD building within the development boundary, an idea supported by both the MOD and its appointed partner Grainger.
- 2.6. After a search of the available properties with Grainger and Rushmoor Borough Council planning officers, in the spring of 2012, Mandora Officers Mess was identified as a potential home for the enterprise centre. Mandora Officers Mess is a large, part vacant, office building, with a smart reception area, new boiler, toilets, disabled access to ground floor, ample car parking and only a 10 minute walk away from Aldershot town centre. It is split in two, with an existing MOD contractor in one half, and the other half available for commercial letting, but is in need of an internal fit-out to bring it up to an appropriate standard for use as an enterprise centre. Within the context of the wider regeneration of the Aldershot Urban Extension, Mandora House will be available for the medium to long term. Its future will be determined as part of the master plan for the area.

3. Finance

- 3.1. In the last 9 months, WSX Enterprise have independently been liaising directly with Grainger, obtaining detailed information from them and others on the associated costs with taking on the building. WSX Enterprise, who are based in Hampshire, are fully fledged members of the National Enterprise Network, and as such have been successfully delivering creative business support solutions for over 20 years. They are fully committed to supporting ex-military personnel into self-employment. Hampshire County Council have recently been approached by WSX Enterprise with a more detailed business plan, in which it has been identified that for WSX Enterprise to contractually take on the lease and run a centre, there is a shortfall of £160,000. The proposed business plan explains that this shortfall is made up of £60,000 fit out costs and £100,000 for start up costs required in the first two years, to enable the centre to get established. It should also be noted that the business plan shows a profit in year 3, which WSX Enterprise explain will be put back into business support initiatives for ex-Armed Forces personnel and the wider community.

- 3.2. If approved this grant would be comprised of £60,000 capital funding from the £189,000 ring-fenced Economic Development Capital Budget, and £100,000 revenue funding from Economic Development revenue resources .
- 3.3. It should also be noted that this grant is not being processed through the corporate grants programme. WSX Enterprise are deemed to be the sole company able to use this grant because they will be the MOD's tenants in the required space at Mandora House.
- 3.4. It is important that appropriate conditions are attached to this grant to ensure that funding is not retained if the project is not completed and operated to the satisfaction of the County Council.

4. Recommendations

- 4.1. That approval is given to provide a start up grant fund of £160,000 to WSX Enterprise to contribute to their aim of creating and managing a successful enterprise centre at Mandora Officers Mess, Aldershot.
- 4.2. That authority is delegated to the Director of Economy, Transport, and Environment, in consultation with the Executive Member for Economy, Transport, and Environment, to finalise conditions attached to the grant to ensure that funding is linked to completion of the scheme.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	no
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Armed Forces Enterprise Centre	<u>Reference</u> 3108	<u>Date</u> Sept 16 th 2011
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. The website contains a summary [assessment of the impacts](#) on *Enabling businesses to thrive in Hampshire* and *Maximise regeneration in Hampshire*.
- 1.2 It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

2. Impact on Crime and Disorder:

- 2.1. No direct impact but the Centre has the potential to reduce unemployment.

3. Climate Change:

- 3.1. How does what is being proposed impact on our carbon footprint / energy consumption? N/A
- 3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? N/A