

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member – Economic Development and Rural Affairs
Date:	2 July 2010
Title:	Milford-on-Sea (Milford-on-Sea Community Association) Smarter Working Centre
Reference:	1812
Report From:	Director of Economic Development

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1. Executive Summary

1.1. The purpose of this report is to set out the grant application received from the following prospective Smarter Working Centre operator:

- Milford-on-Sea Community Association (Amount £9,000).

1.2. This paper seeks formal approval of the grant application referred to above.

2. Contextual information

2.1. The Smarter Working Centre (SWC) network forms part of the County Council's £425,000 LABGI (Local Authority Business Growth Incentive) investment in 'Recession Response' initiatives approved by the Executive Member for Policy and Resources on 9 April 2009.

2.2. The SWC network will be independently operated as a local agency supported business hub (eg Business Link/Job Centre Plus) offering low-cost, bookable by the hour, internet-connected 'pay-as-you-go' professional work, meeting and training space for businesses of all sizes. A purpose designed website will offer real-time booking, a secure payment facility and take-up reports.

2.3. The economic prosperity aim is that start-up businesses, existing home-based businesses, entrepreneurs and commuters will each consider use of an SWC. The availability of such centres is expected to encourage business start-ups, contribute to a reduction in micro-business failure rates and at the same time help reduce peak-time commuting and business travel.

- 2.4. The programme is being delivered by the eHampshire Partnership with the operational budget administered by the Economic Development Office.
- 2.5. The application forming part of this decision report has been assessed and achieved the minimum grant-criteria score (see Section 4, below, for applicant scores).

3. Finance

- 3.1. LABGI funding of £100,000 was approved and allocated to the SWC initiative by the Executive Member for Policy and Resources on 9 April 2009.
- 3.2. The overall allocated budget above includes a provision for the website development (£8,000) and a further small sum (£2,000) set-aside for related marketing and PR activities. A £90,000 match-funding amount has been provided to contribute to operator set-up and year one core operational activities.
- 3.3. A maximum match-fund amount of £9,000 can be applied for and allocated per applicant - £4,500 for set up costs/£4,500 for year one operational support. The latter is claimable in month six and twelve against evidenced and agreed spend. The grant application received and included in this Decision Report meets the main grant criteria and also complies with the grant limits.
- 3.4. Approval of the application will leave an unallocated amount of £34,022.22 in the SWC LABGI match-fund scheme.

4. Performance

- 4.1. The applicant below has submitted an expression of interest and has subsequently – with guidance – completed the full Smarter Working Centre Grant Application. The detailed application – which contains such as reference statements, the required quotes/estimates from prospective suppliers of set-up equipment, etc – has been reviewed and assessed by (i) Chair of the eHampshire Partnership and (ii) the Economic Development Office Business Development Manager. A summary of the application follows.

Milford-on-Sea SWC – Criteria Score 27

- 4.2. The application is from the Milford-on-Sea Community Association – a registered charity (Registration No. 1075243) and is constituted as a 'Company Limited by Guarantee' - any profits (surplus) are ploughed back by the committee into local initiatives. The group was originally formed in 1997 and since its inception has worked hard to engage local residents and businesses to the extent that Milford-on-Sea is now an exemplar engaged community. An imaginative well-used website and topical website has been developed, a food festival was launched in 2008 and in 2009 a bid was submitted to the Big Lottery Fund's Community Building Programme that resulted in a £500,000 grant award. The bid was made in partnership with

Hampshire County Council's Community Buildings and Youth Capital funds, New Forest District Council, Milford-on-Sea Parish Council, and local villagers and businesses. The new centre is expected to be completed in September 2010 with the design including allowing the various rooms to be utilised in a flexible manner as SWC work, meeting or training space.

- 4.3. The plan allows for booked use, subject to availability, of up to four SWC workspaces, with more private work-space and member access to meeting/training. Event communal space is also available in line with the SWC initiative requirements.
- 4.4. Investment in business level broadband (BT) and secure wireless connectivity forms part of the commitment made by the Community Association. Meet and greet services will be provided by Community reception and a rota of volunteer support staff who will be trained in the operation of the SWC website booking and payments system. The Centre Manager role (to be appointed) will have specific SWC business development goals included in the job specification.
- 4.5. The location is close to the centre of the village and adjacent to a New Forest District Council managed car-park. Preliminary research conducted by the Association suggests that, like the Lyndhurst SWC facility, there may also be use of the SWC by tourists in the area and the facility will be promoted locally. The Association has provided detailed financial information and has adequate cash (£35,000) reserves, close ties with the Parish and New Forest District Councils from which a strong endorsements have been received. The new building will ensure a pleasant and business-like working environment with modern amenities, which, supported by experienced local staff, should lead to an excellent customer-experience for SWC members. The plan is for the centre to be open by the end of October 2010.

5. Other key issues

- 5.1. Each of the grant applications put forward and approved for funding from the Smarter Working Centre LABGI funds will be administered and delivered by the proposing party, in this case, the Milford-on-Sea Community Centre Association.
- 5.2. The County Council Economic Development Office will monitor the delivery of these projects by means of regular progress reports from the project administrator (every six months from the commencement date). After 12 months' operation, each SWC operator will be formally reviewed against the agreed set of operational criteria. If successful, the Centre will retain its 'accredited' status for a further period of 12 months. A fee of £150 will be levied to cover administration costs.

6. Risks

- 6.1. **Risk One** – SWC Operator goes out of business – the grant scheme requires the applicant to provide cash-flow information, provide two references and obtain a letter of endorsement from the Local (District) Authority. The applicant has also provided a detailed business plan that indicates strong, business-like and well managed finances.
- 6.2. **Risk Two** – Take-up is not achieved at the required (sustainable) level – the requirement for match-funding, designed in local agency partnering plus regular review and the proposed annual accreditation should help minimise this possibility. Research indicates a high incidence of home-based and micro businesses in Milford-on-Sea and the nearby town of Lymington that should benefit from occasional use of the SWC as will the many residents who commute out of the area to work. The data is available on request.
- 6.3. **Risk Three** – Quality/Service Levels are not maintained – the selection criteria guard against this possibility as does the on-going monitoring and annual accreditation. The website booking system also captures usage and member data and will be used as the basis for selective quality checks. The new Milford-on-Sea Centre Manager when appointed, Q3, will have specific SWC operational and Business Development goals. The SWC partnership model also helps to mitigate the risk.

7. Future direction

- 7.1. The aim is that after financial support as part of the grant award in year one, each SWC operation achieves a sustainable operating position during year two of operation.

8. Recommendation

- 8.1. That the grant application requesting funding from the Smarter Working Centre Recession-Response Initiative scheme be formally approved: for Milford-on-Sea (Community Association) for an amount of £9,000.
(Funding is approved subject to a requirement that the involvement of Hampshire County Council is acknowledged by the applicant in all publicity.)

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

This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:

It provides an opportunity for improved wellbeing and through reduced travel a positive contribution to 'quality of place'. Allocation of funds under a Grants Scheme also require a formally approved clear set of criteria.

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.)

DocumentLocation

Grant Application Criteria & Score Sheet

I:\Chief Executives\Economic Development\Tony C\Smarter Working Centres

Individual Grant Application Forms (NB mostly completed 'off-line') and including supplier cost estimates, etc as evidence to substantiate the grant amount applied for.

Available for inspection on request at Hampshire County Council, Economic Development Office (Room 322), The Castle, Winchester S023 8UJ

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. An SWC EIA has been completed and was reviewed on 11 September by the Departmental EIA representative for completeness.

2. Impact on Crime and Disorder:

- 2.1. Not directly – though may possibly make a small contribution by way of providing a local hub for those in and seeking work opportunities.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

When established, the SWC Network will provide additional opportunities to work and meet close to where individuals choose to live. The initiative encourages more sustainable working practices and should reduce peak-time commuting and to a lesser extent business travel (together accounting for 38% of transport initiated CO₂ emissions). With the centres being established in existing buildings, this provides limited opportunity to influence building energy-efficiency. However, SWC IT guidelines do suggest low-energy 'green' IT solutions.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Not Applicable.