

STEVENAGE BOROUGH COUNCIL**INFORMAL MEETING ENVIRONMENT & ECONOMY SELECT COMMITTEE****NOTES****Date: Tuesday 29 September 2015****Time: 5.00 p.m.****Place: Shimkent Room, Daneshill House, Stevenage, SG1 1HN**

Attendees: Councillors: Councillors M Downing (Chair), D Bainbridge, R Broom, J Brown and M Hurst.

Also Attending: Councillor Ralph Raynor (Portfolio holder for Economy, Enterprise and Transport) and Paul Pinkney (Assistant Director of Regeneration).

Start/End Time: Start Time: 5.00 p.m.
Ended: 5.45 p.m.

APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were submitted on behalf of Councillors L Briscoe, J Mead and P Stuart.

There were no declarations of interest.

INTERVIEW OF THE PORTFOLIO HOLDER FOR ECONOMY, ENTERPRISE AND TRANSPORT AND ASSISTANT DIRECTOR OF REGENERATION

The Scrutiny Officer circulated a document outlining some emerging findings for the review. The Chair stated the direction and purpose of the interview were to answer Members' questions about the Business Technology Centre (BTC) a managed workspace with the Portfolio Holder for Economy, Enterprise and Transport regarding his views on the current management of the BTC and aspirations for the future.

Members asked questions about whether the BTC was fulfilling its intended purpose. The Portfolio Holder responded by stating that although there were one or two minor concerns which had been addressed the BTC is still serving its original purpose. The Assistant Director of Regeneration also responded by stating the Council had a good relationship with Wenta, that the Wenta managed BTC demonstrated good performance and output providing the Council with a steady income stream. However, the Assistant Director suggested that performance could be further improved by finding innovative ways to include more start-up businesses into unused office space at the BTC. The Assistant Director also stated that the BTC had an issue with insufficient parking spaces.

In response to the Committee's further questions regarding insufficient parking spaces at the BTC, the Assistant Director stated that the Council were exploring a minibus service connecting the Gunnels Wood Industrial Area with Stevenage

Railway Station. Furthermore, the Assistant Director stated that the Council would look into barriers to pedestrian links between the Town Centre and the BTC, such as the Leisure Park, and would explore ways to improve the pedestrian link.

In response to a Member's question about the status of the European Regional Development Fund (ERDF) for economic regeneration projects promoted primarily by the public sector, the Assistant Director stated that there was no update received yet from the Hertfordshire Economic Officers Development Group (HEDOG) who were responsible for the application.

The Portfolio Holder acknowledged a Member's concern over the effectiveness of the current Green Travel Plan at the BTC as the member viewed that the public transport options could be better represented. The Portfolio Holder responded that they would look into the cycleway to the BTC being better advertised to BTC users. The Assistant Director responded that there were currently difficulties with pedestrian access to the BTC due to the location of the BTC in an industrial estate, the unreliability of the pedestrian access to the site due to the pedestrian and cyclist underpass occasionally being flooded and the physical barrier of the surface dual carriageway.

In response to a Member's question about the balance of activity at the BTC, the Assistant Director said that the Council would aim for increased churn [turnover of businesses] and recycling of office space, however, from a commercial and business support balance was about right. The Assistant Director then clarified that to increase churn the Council would have to explore with Wenta how to encourage more businesses to use the BTC and to aid innovation and entrepreneurship in the local market.

It was acknowledged by all that the BTC provided a significant contribution to the economic viability of the town regarding its support for Small to Medium sized Enterprises (SME's) as well as providing the Council with a welcome contribution to its revenue as the yearly income stream to the Council was approaching half a million pounds.

The review asked the interviewees whether there were any units available in Stevenage to start a manageable short-term (perhaps of 2 years duration) project with conservative aims as suggested by Cllr Speller the Portfolio Holder for Neighbourhoods and Co-operative Council. The Assistant Director responded that there would have to be more specific details to identify potential sites for such a project and that currently the Officer capacity to implement a project like this was limited.

In response to the question raised about whether pump-prime funds were available, the Assistant Director stated that there was a £16,000,000 growth fund available. However, there was currently insufficient SBC Regeneration Officer capacity to manage a project of this scale or to support any modest pop-up business incubation in the town centre.

A Member was concerned by the quantity of large office space rented by large established companies. The Assistant Director clarified the situation by stating that there was currently no demand for large office space from small and medium start-up enterprises due to affordability and that rather than leave this large office space

empty the BTC had taken the initiative to generate income for this space by renting it out to large established businesses who could afford it. The Assistant Director added that should there be a demand for this large office space from start-up companies Wenta would prioritise them over large established businesses.

A Member raised the issues of the number of local businesses in the BTC being low, the Portfolio Holder responded by saying that the BTC was not exclusively for Stevenage businesses and people but would also include the wider area since the BTC was good public relations for the Town and it was likely the more businesses that were at the BTC, the more local employment opportunities there would be.

In response to an observation about the lack of diversity in the age demographics of start-up businesses at the BTC, the Portfolio Holder stated that this could be due to the nature of start-up companies – start-up companies would need capital to invest to operate so often this was from people who had sufficient capital and experience and knowledge gained from the workplace which would explain the age demographics at the BTC. Also sometimes individuals may use a redundancy package to kick start a business, which would normally be from an older demographic.

In response to a Member's concern about the employment opportunities for younger people being insufficient at the BTC, the Assistant Director responded that Wenta is a company which manages a traditional business model which perhaps works for one sector, therefore, the Council could discuss with Wenta revising the model to include more start-up business opportunities for younger entrepreneurs.

A Member was concerned over the more established start-up businesses not having a higher turnover, in response the Portfolio Holder clarified that if demand for managed workspace for start-up businesses became competitive the BTC would prioritise start-up businesses but that currently this demand was insufficient so the income from more established start-up businesses was welcomed by the Council.

In response to a Member's concern about the underdeveloped relationship between North Herts College, Wenta and University of Hertfordshire, the Assistant Director responded that the Council would need further resource to develop a suitable strategy due to the significant officer time to implement a working strategy for such diverse organisations.

NEXT STEPS

It was noted that:

- The date of the site visit to view managed workspace at Kennington and the incubation hub at Brixton was confirmed to be the 12 October 2015.
- The next Committee meeting would be on 14 October 2015 looking at the Green Travel Plan for the Council but also to receive feedback from the site visit.
- The Scrutiny Officer would find a suitable date for a final Environment and Economy Select Committee Meeting regarding the BTC in December 2015.