



Report to:	Development Committee
Subject:	City Centre Business Information Point
Date:	21 October 2014
Reporting Officer:	John McGrillen, Director of Development, ext 3470
Contact Officers:	Colin McCabrey, Economic Development Manager, ext 3805

1	Relevant Background Information
1.1	<p>Members will be aware that, in September 2013, approval was given to establish a pilot City Centre Business Information Point. The pilot was intended to provide a dedicated information resource in the city centre to deal with business start and development enquiries and to link businesses with council services including Building Control and Environmental Health as well as the suite of programmes provided by the Economic Development Unit. In addition the facility was to provide a city centre location to facilitate workshops, outreach development and provide meeting space for businesses and stakeholders.</p>
1.2	<p>The City Centre Business Information Point was launched under the name of City Business Hub in November 2013 and is situated in 28 Castle Lane, in a previously vacant retail unit. The facility is managed by Ortus, a Belfast based enterprise agency, whose corporate objectives are to actively promote sustainable social and economic regeneration through provision of property, business development initiatives and a business advice service. Services delivered at the hub are delivered in collaboration with the council, primarily through the Economic Development Unit.</p>
1.3	<p>The original outputs of the pilot were to achieve 1,000 enquiries and deliver 10 business events through the hub, across a twelve month period (1st Oct 2013 – 31st Oct 2014). According to Ortus' recent progress report:</p> <ul style="list-style-type: none"> – 1792 businesses and individuals have visited the City Business Hub to utilise its services, of these 949 have requested 1-2-1 support (provided by hub staff); – 40% were seeking information on exploring enterprise and start up support, 20% were seeking growth and 22% were looking to access sources of finance and financial advice; – Over 130 events have been held in the hub attended by 840 individuals; – Over 1,100 individuals currently receive digital information and communication on the services of the hub and support offered by a range of stakeholders, including Belfast City Council.

1.4	As the one year pilot period for the hub concludes at the end of October 2014, a review of progress has been undertaken with a view to considering future engagement in the initiative. Officers have engaged with Ortus who are keen to continue the project beyond the pilot phase. However, given the overheads associated with this, they will not be in a position to do so without some external support.
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2	Key Issues
2.1	Members will be aware that, under the Reform of Local Government, Belfast City Council will be responsible for business start-up provision across the city, as part of their existing economic development functions. Officers are currently considering the options available for the delivery of enterprise support, in line with the wider economic development work programme, for the post-April 2015 period. While the Transition Committee already agreed that Invest NI should see out the existing contract for the programme – which runs to October 2015 – a new programme will be required after this date and consideration needs to be given to both the content and the delivery channels.
2.2	Belfast City Council's contribution to the project over the 12 month pilot (1 st Nov 2013 – 31 st October) was £39,000 against a total project cost of £83,420. The performance of the City Business Hub to date has exceeded original target levels. Referrals to Local Enterprise Agencies account for the largest proportion of referrals from the Hub followed by Flex Language Services, Belfast City Council Services, Invest NI and Belfast City Centre Management. Further work will be undertaken to improve referral rates and monitor follow-up of referrals to measure economic impact.
2.3	A review of the business start levels, reported through the Regional Start Initiative – the mainstream enterprise programme currently delivered by Invest Northern Ireland – suggests that levels have remained relatively static over the period since the establishment of the City Business Hub. However we are aware that the current start-up programme has significant shortcomings in terms of the business advisor time allocated to the business and this may account for the significant volume of clients seeking 1-2-1 support from hub staff. It is, of course, the case that the hub is only one of a range of referral points to the programme and, likewise, there may have been other factors impacting on individuals' inclination and/or desire to start a business.
2.4	In addition, the numbers attending events at the hub have been significant and this helps create a positive perspective on enterprise and business start. At present, the meeting space is provided free-of-charge to those supporting events related to business start and growth so there is an opportunity to look at securing some income from rental of the meeting space.
2.5	Lessons learned from the previous year's engagement in the City Business Hub have provided a significant level of experience in terms of what works when engaging with would-be and existing businesses as well as finding out what support businesses need and how an effective signposting service should work in the city, in order to maximise the benefits for the clients and improve their experience of the service.
2.6	In anticipation of the new approach, and in order to ensure continuity of service, it is proposed that the council continues to support the City Business Hub to April 2015, in line with the timetable for the transfer of the enterprise functions to the

	<p>council. At this point, it is expected that officers will have undertaken further work to identify the optimal format and content for the future enterprise support activities to be offered by the council. This is likely to involve further testing of potential approaches by using companies engaging with the hub. In the interim, targets will be agreed around issues such as:</p> <ul style="list-style-type: none"> - Businesses supported - Users of the centre for business events - Companies referred to other sources of support (e.g. other enterprise agencies, other council services, other partners).
2.7	Efforts will also be made to measure the impact and added-value of the service in terms of improvements to businesses' awareness of key issues impacting on their growth.
2.8	Consideration will also be given to targeting specific areas of the city where enterprise levels are particularly low to raise the profile of the service and to encourage access to the facilities.
2.9	A draft budget for the five month period to April 2015 is attached. This shows an indicative cost breakdown of around £23,370 by the Council; £25,790 from Ortus and £3,915 to be found from other partners (see Appendix 1). The Council does not have any title interest in the City Business Hub premises and support to the project is by way of funding agreement.

3	Resource Implications
3.1	If approved by Committee, the funding requirement from Belfast City Council to April 2015 will be £23,370. This will be met from within existing EDU budgets.

4	Equality and Good Relations Considerations
4.1	No specific equality of good relations considerations attached to this report.

5	Recommendations
5.1	<p>Members are asked to;</p> <ul style="list-style-type: none"> • Approve the continuation of the existing business support pilot with Ortus at the City Business Hub, subject to a legal agreement and associated targets being agreed between the parties.

6	Decision Tracking
<p>Timeline: Proposed work to continue until April 2015 Reporting Officer: Colin McCabrey</p>	

7	Key to Abbreviations
<ul style="list-style-type: none"> • LGR – Local Government Reform • EDU – Economic Development Unit 	

8	Documents Attached
<p>Cost breakdown for the period 1st November to 31st March 2015.</p>	

Annex: Additional Budget Information

Below is a forecast of City Business Hub costs for a 5 month period from 1st November 2014 to 31st March 2015.

Item	Cost to BCC	Cost to Ortus	Other funding required	Total
Fit out of Window Insulation and Sound proofing (Conference Room) (funding tbc)			£2,940	£2,940
Property maintenance and refresh costs		£2,000		£2,000
Display and Signage (Conference Room) (funding tbc)			£975	£975
Staff Members (3) City Business Hub Manager City Business Hub Administration Ortus Business Advisor	£16,570	£9,440		£26,010
Heat/Electricity/Light/Waste Management/Printing	£ 3,500	£200		£3,700
IT Support and maintenance		£750		£750
Insurance		£3,000		£3,000
Rent *		£10,000*		£10,000
PR, Marketing and Promotional Materials	£3,300			£3,300
One year celebration press event		£400		£400
Total	£23,370	£25,790	£3,915	£53,075

* Maximum rental figure subject to negotiations and tenure agreement with the unit landlord. Comparisons of sq footage rental costs in Castle Lane being evaluated to validate the profiled rent. Any decrease in rental agreed with the landlord by Ortus will be reflected proportionately in the Council's funding contribution.