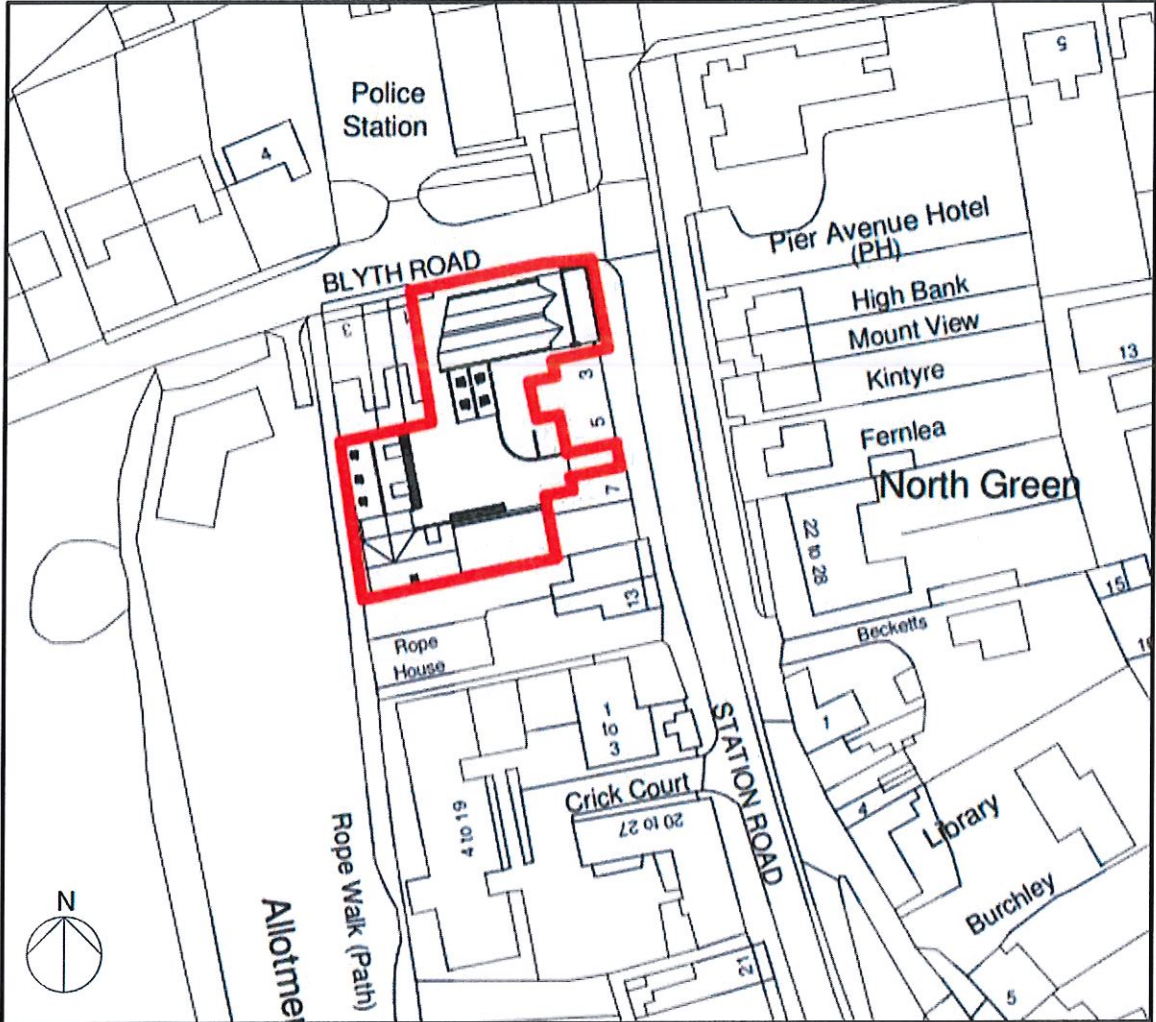# APPENDICES

Site location plan

Southwold Enterprise Hub Site (not to scale)

Comparable facilities further afield

Station Yard Enterprise Hub proposal				Pricing												Service	Additional information
Comparators from other rural/coastal locations				Desk		Hot desk		1 p office		2 p office		Other office		virtual	other	Charge	
Location	Description	Accommodation	Facilities provided	PW	PCM	1/2 day / Day		PW	PCM	PW	PCM	PW	PCM				
Devon																	
Barnstaple	Work Hub	9 offices, 6 hot desks	Meeting room + presentation; Aircon; Intercom; Communal lounge; Kitchen and showers (shared); Free coffee; Manned reception; Client waiting area; Visitor parking; Nearby parking; Undercover cycle parking; Flexible terms; Free business mentoring; Free seminars; Networking events; Social events; Superfast broadband	£ 18.50	£ 80	1/2 day £ 5; Day £ 10		£ 69; £ 76; £ 89; £ 91	£ 300; £ 330; £ 385; £ 395	£ 127	£ 550						Photocopying charged at 3p per sheet B/W, 15 p per sheet Colour
Braunton	Work Hub	4 offices, Hot desks, Co-working	Parking; Kitchen and showers (shared); Superfast WIFI; Onsite catering; A38/bus route; Business support; Printing, copying, scanning; Free coffee	£54 2 desks; £90 2 desks	£200; £340	Day £10			£135						Membership £90 pcm; Meeting room £10-£40 per hour (size dependent)		
Honiton	The Nook		Super fast fibre; gas; electicty; water; waste; rates					Office prices vary from £195-£695						£29 pcm address; £37 pcm + phone; £12.50 pcm Phone only	Co-Working £85 pcm; 1 day pw £45 pcm		
Exeter	The generator	Hot Desks, Club membership, Dedicated desks, Meeting rooms	meeting rooms; Desk space; Offices; WIFI; Coffee; Printing; Networking events; Postal address; Cycle storage		£200-£250	1/2 day £10-15									Co Club membership £100-£120 pcm; Meeting rooms £10-£30 ph; £60-£150 per day		VAT also charged; Desk refers to extra desk

Cornwall				Desk	Hot desk	1 p office	2 p office	3 p office	virtual	other	S/C	Additional information
Newquay	Mor Workspace		Parking, Superfast wifi, Shared kitchen, Free tea/coffee/biscuits/fruit, Break out areas (in and outdoor), Furniture, 24/7 virtual receptionist, Showers, Disabled toilet/access, Bike storage, Surf board/wetsuit storage, Changing room, Outdoor table tennis/seating	£95					Offered but no prices	Co-working Up to 95 Hours pcm £150 Full time 5dpw 195 pcm Meeting room: £70 per day 1-2 people £160 per day larger		Aditional charged services: Car valet, Catering, Online Meeting/conferencing, Printing/scanning, Personal mail box, Storage lockers and drawers, Fitness classes, VOIP phone line service
Newquay	Ho House	Members only creative co-working space	Superfast Broadband, Bike storage, Secure access, Trading/mailing address, Cleaning, Disabled access, Lockers, Kitchen/bar area, Communal area, Meeting room, Showers, Board rack, Outdoor area, Furniture	£165 +								
Penzance (also one in Truro)	The Workbox	Space 2 work workspace, meeting rooms and 2 self contained offices	Ultrafast broadband, Networked printing/scanning, Coffee, HD projection wall, Desk and bench working areas, Storage lockers, Kitchen areas, Ergonomic office chairs, Social areas with soft seating, Self contained offices	£ 165			£ 400		Mailbox £15 pcm Forwarding Mailbox £25 pcm	Boardroom £20 per hour Membership £110 pcm ongoing £150 for a month only		
Cornwall Innovation Centres at Pool (Redruth) Penryn, Truro	Centres developed by Plymouth University for CCC	offices for 1-2 up to 12-15 Desks in Formation Zone	Superfast Broadband, VOIP phones, 24/7 access (card), Access to academia/research, On site catering, Managed reception, Collaborative community, Modern technology, Meeting and conference rooms		£150 Inc drawers				£50 pcm	£80 pcm including 30 hours hot desking		Licence agreements on 30 days termination notice

Rural Yorkshire				Desk	Hot desk	1 p office	2 p office	3 p office	virtual	other	S/C	Additional information
Mytholmroyd	The Craggs & The Chapel	Desk space, Offices for 2 up to 14	Parking, Back up generators, Gritting/snow clearing, conference, Meeting space, Catering, Flat screens, Flip charts, WIFI	£130			£ 550	4 person £ 565, 8 person £ 950, Self contained, 14 persor £ 1,400			Yes	Leases from 1 month inclusive, Flexible terms negotiated

Discussions with local operators

	Southwold Enterprise Hub - Questionnaire
	Operator - NWES

1.	Do you have a view on the critical mass required for a successful "Enterprise Hub" – is there a minimum level of provision that you think is required for a centre to be sustainable? For an unmanned site with limited shared services the critical mass can be relatively small (c.6Ksqft). If shared services such as internet, meeting facilities, communal break out areas, staffing etc are required then the size of site to make it viable increases. Ideally a site with on-site staff etc should be a minimum of 10Ksqft, the optimum being say 15-20Ksqft. The larger the site the less impact shared services have on costs.
2.	What is your view of Southwold as a location for an Enterprise Hub? Views on this are mixed. Southwold could be argued to be a suitable location as it does not have an Enterprise Hub and there is clearly a lack of affordable space (the only space we can see on the market is retail – which is limited and very expensive), however with Southwold's current perceived demographic it's unclear as to who the target market for the Enterprise Hub will be. We would hope that the Enterprise Hub will be the catalyst for a greater level of year-round economic activity within the town. Do you have evidence from your current centres that there will be sufficient demand for such a facility in Southwold? Our existing centres have a good level of demand. As such we would expect there to be a demand in Southwold for a similar facility, however this would only be proven by a canvas on the local business community. In terms of demand, what is the most common size of business that you have demand from in terms of numbers of people? Our highest demand level is small units (1-3 people). How much demand would you anticipate from Virtual Office requirements? This would be impossible to determine without market research, however we have had good levels of demand for the service from our other sites. How much demand do you anticipate from people preferring a co-working environment? We have found limited demand for coworking locally. There is also talk of a local coworking facility within Southwold so it would be unwise to compete with this – ideally this facility would act as a feeder for the Southwold Enterprise Hub.
3	What range of room sizes for individual businesses would you consider to be most appropriate? We would suggest a range of room sizes from 1-10 people (say 75-750sqft) you want to provide the option for businesses to grow within the space. Do you think the offer should be furnished or unfurnished? Unfurnished, this allows a variety of businesses to be accommodated within the units. Furnished space does have its benefits in terms of rental, however it may be off putting to some tenants if the furniture/layout does not fit with their needs/requirements.
4	What on site facilities/services do you think need to be provided? In what order of priority (please rank them)?

• Superfast broadband – Yes, removes a barrier to entry, however this will increase the running costs that were originally put in the previous business plan.	3
• Utilities – Include or give tenants the option to source their own supplier.	N/A essential
• Cleaning – Communal only, offices would be tenant responsibility	N/A essential
• Management and maintenance of the building and external areas – must be included	N/A essential

• Reception and business support – should be separate entities. Reception would depend on how the site is to be managed (an onsite reception presence in this size of space may make it unviable to operate). Business Support should be offered, however the level would be based on if external funding or contracts can be sourced.	4	
• Virtual office services – call answering, post, etc. – This will likely require on site staffing, which may make it difficult for the project to break even.	6	
• Fully equipped meeting space with AV etc, and access to catering, how many meeting rooms? Flexible space that can be divided? – Depends upon the size of the space. If there are to be meetings rooms, they should have flexible layout options. However meeting rooms will require on site staffing which may make it difficult for the project to break even.	7	
• Smart technologies – charging zones in meeting rooms, usb enabled power points, other? – provide based on building spec.	9	
• Communal break out space/kitchen/toilet/welfare facilities – or should these be provided for each individual unit? These facilities should be in the communal areas, if they are in the units this reduces the amount of usable space and also discourages tenant interaction.	N/a	
• Vending machines – snacks, coffee etc, - if there are communal kitchen facilities then vending is not required. Coffee machines require regular cleaning and maintenance which, if the site is remotely run, would be challenging.	8	
• Parking – on site or elsewhere? Local parking will have an impact on the appeal of the space. Ideally free local parking should be provided on site or within a short walking distance.	1	
• Visitor parking – on site or elsewhere? As above	2	
• External break out space – in a project of this size there would be limited	5	
• Back-up generator to address power outages – In our experience not required	10	
• Other?		

5	Should rental figures be fully inclusive of all services and utilities, or should individual units have separate utilities capability? Should the service charge be separated from the rent – clearly additional charges would be made for rental of meeting room etc. Our sites operate fully inclusive fixed rent that include the service charge – but excludes business rates which are payable direct to the local authority. This simplifies the move in process for tenants and eliminates the risk of tenants entering into contracts with utility suppliers that are not in line with their tenancy terms.
6	Would you provide centralised services such as printing, photocopying, access to Teams, Zoom etc? Anything else? This would depend on the occupiers. Newer (stage) businesses would benefit from shared services such as photocopying. From memory, the busines plan in its current form does not allow for central services as the centre would be remotely managed.

7	With regard to terms, would you offer flexibility to have a rolling monthly commitment on one month's notice, or a blend of this and longer term commitments such as a 6 month agreement? Other?
	We would recommend easy in easy out leases in the first instance as these give occupiers flexibility, especially in these uncertain times. These leases would not be rolling – but have an end date – giving the landlord the option to renegotiate terms. If clients wish to have longer term agreements these should also be offered.
8	What level of **fully inclusive** rental charge do you think would secure demand in Southwold, assuming no on-site car parking: £10-15 psf pa £16-20 psf pa £21-25 psf pa £26-30 psf pa £31-35 psf pa Please highlight all that you think are likely to secure demand for occupancy. Would this change if there were on-site car parking? For a fully inclusive rental with no car parking we would expect the site to be able to command a rental of £26-30/sqft. With the inclusion of onsite car parking, we would expect a rental of £31+/sqft. In terms of context our local sites achieve the following (all have onsite car parking and are manned sites) Suffolk Enterprise Centre, Ipswich - £31/sqft Leiston Enterprise Centre, Leiston – £23/sqft Beacon Innovation Centre, Gorleston - £32.64-33.66/sqft (Rates Inclusive) Riverside Business Centre, Leiston - £28.70/sqft
9	Do you have any other observations/comments about the potential for an Enterprise Hub in Southwold? At this stage no, but we are very open to discussion to assist in any way that we can.

Southwold Enterprise Hub - Questionnaire	
Operator – Menta – conducted by Zoom meeting	
1.	Do you have a view on the critical mass required for a successful "Enterprise Hub" – is there a minimum level of provision that you think is required for a centre to be sustainable? Space for 60/70 people is ok – similar to Bury St.Edmunds.
2.	What is your view of Southwold as a location for an Enterprise Hub? Southwold is an interesting location as it can draw more widely from the surrounding area, and is a known desirable location Do you have evidence from your current centres that there will be sufficient demand for such a facility in Southwold? Lots of supply chain opportunity linked to the development of Sizewell C, opportunity for people seeking to move to more rural area and work more flexibly long term, needs to be open to all types of business and offer something new and exciting. Designed and marketed correctly and pro-actively confident the location could work. In terms of demand, what is the most common size of business that you have demand from in terms of numbers of people? Most demand is from 25-45 age group mainly sole traders or small businesses working for or with bigger corporations. They are looking for vibrant locations where they can mix with others in a similar role and find complimentary businesses/services via networking. Lone workers like the vibe of having a community of workers to interact with rather than be stuck in a self-contained office entirely alone. How much demand would you anticipate from Virtual Office requirements? Bury has circa 30 virtual office users

	How much demand do you anticipate from people preferring a co-working environment? Key issue is the ability to interact, so shared services and "bump into" spaces are essential. There is likely to be demand from a mix of people looking for small, but connected, offices, and co-working/hot desking space, and as businesses grow, they may move from co-working into offices in the same building. Key is flexible space that can accommodate co-working, or be cleared for events/networking/out of hours community use – make the space work hard.	
3	What range of room sizes for individual businesses would you consider to be most appropriate? Mainly smaller, but with flexibility. Do you think the offer should be furnished or unfurnished? Furniture should be available, particularly for smaller offices/co-working, where people ant to arrive, sit down and plug in to work. Larger space users may prefer their won, so be flexible and offer either, according to occupier needs. Ensure furniture is demountable and cabling enables flexibility. If space needs to be cleared for an event, just use an empty office (if there is one) or meeting room to temporarily store the furniture – make best use of all the space.	
4	What on site facilities/services do you think need to be provided? In what order of priority (please rank them)?	

• Superfast broadband Essential	Yes
• Utilities Yes – much lesss complicated to source and manage centrally – for individual charging, if required, metering to specific spaces can be used	Yes
• Cleaning Yes – opportunity to link up with a local business to support the local economy	Yes
• Management and maintenance of the building and external areas	Yes
• Reception and business support Reception/hands on managementon site is essential to maximizing the potential of the space – knowing tenants needs, financial position, contacts will help build a waiting list and maximise occupancy, whilst also being flexible with businesses to keep them going if they have a short term cash flow crisis. Without an on site representation it is harder to maximise the economic growth and potential use of the space, by both businesses and the local community.	Yes
• Virtual office services – call answering, post, etc. Yes, can easily allow 24 hour access by way of key fob entry to get post. Can also then sell other services to Virtual users such as space for occasional presentations, meetings etc. Menta does not offer a call handling option, only the basic address/post handling operation. NB need to consider security around use of mail boxes, visual transparency etc. Also need to ensure that the companies are legitimate.	Yes
• Fully equipped meeting space with AV etc, and access to catering, how many meeting rooms? Flexible space that can be divided? Flexible meeting space/zoom room/podcast space/networking space is essential, but don't invest in very expensive technology unless it is reflected in pricing and going to be used. Stuff can be hired to meeting individual needs. Needs to be linked to an effective on-line booking system for this and for desk spaces to ensure that if there are 100 users and only 50 desk spaces, they don't all turn up at once. Flexible times of opening also useful to maximise usage and broaden benefit of communal spaces to the community. In terms of catering, partnering with local established businesses in the town for a small	Yes

	mark up/top slice is effective – benefits the local business and the Hub.	
	• Smart technologies – charging zones in meeting rooms, usb enabled power points, other? Do what there is clear demand for and is easy and inexpensive – don't invest in specialist kit that can easily be hired.	Yes
	• Communal break out space/kitchen/toilet/welfare facilities – or should these be provided for each individual unit? Essential to have centralized facilities so that there are reasons for businesses and people to interact, particularly sole traders in individual small offices – the interaction is a very imoitant part of business generation and long term sustainability	Yes
	• Vending machines – snacks, coffee etc. Important to have snacks on site but prefers this to be by way of linkage with an existing local business, e.g., local bakery, sandwich shop etc, who would supply. Must have coffee machines, but also hot water boilers (boiling taps) so people can make their own, and water coolers.	Sort of
	• Parking – on site or elsewhere? As long as parking is available nearby it does not need to be on site.	Not essential
	• Visitor parking – on site or elsewhere? As above	Not essential
	• External break out space This would help to developing an effective business community and linkages with the wider community, and could for example involve a local community link to growing food and gardening – great opportunity to make the place central not just to its users but the wider community	Yes if available
	• Back-up generator to address power outages	Not discussed
	• Other? The space needs to be dynamic, modern, interesting and flexible, and to create a feeling of an energetic workplace. It has to gve the impression of a forward-looking working environment. Image and brand are very important – especially relevant to Southwold where the reputation is that of an "older" town – needs to be something new that will appeal to a broad spectrum of businesses and attract young/new enterprise	Yes
5	Should rental figures be fully inclusive of all services and utilities, or should individual units have separate utilities capability? Should the service charge be separated from the rent – clearly additional charges would be made for rental of meeting room etc. Inclusive but separate rooms can have individual rating responsibility, and power can be metered if preferred. For most a single clear charge and full transparency of all costs is essential/	
6	Would you provide centralised services such as printing, photocopying, access to Teams, Zoom etc? Anything else? Yes, subject to booking charges etc, but preferential rates for occupiers. Can also be made more widely available to the community and other existing businesses/education after core working hours - wine tastings, art exhibitions, quiz nights, local business events, local meetings etc. Evening use will maximise income and embed the space into the wider community	

7	With regard to terms, would you offer flexibility to have a rolling monthly commitment on one month's notice, or a blend of this and longer-term commitments such as a 6 month agreement? Other? Flexible in/out terms are essential, but businesses once established tend to stay and grow, some become "bed blockers" and can be charged an increasing rate year on year to encourage a turn-over and maintain opportunities for newer businesses.
8	What level of **fully inclusive** rental charge do you think would secure demand in Southwold, assuming no on-site car parking: £10-15 psf pa £16-20 psf pa £21-25 psf pa £26-30 psf pa £31-35 psf pa Please highlight all that you think are likely to secure demand for occupancy. Would this change if there were on-site car parking? Not specific, depends on the location, but can charge a membership fee (circa £60 + VAT pa, less for students) plus a charge per day for a desk (£10 + VAT per day of usage) and then separate charges per person for the office space. Not unreasonable to have a charge that equates to between £20 and £30 psf.
9	Do you have any other observations/comments about the potential for an Enterprise Hub in Southwold? Branding and identity is key... "Southwold Enterprise Hub" is not an inspiring identity – could be linked into a wider brand (e.g., @inc, as used in Bury @inc (menta.org.uk)). This must be considered at the design stage, and it would be beneficial to have an operator involved at the design stage, and a designer with specific knowledge of the sector. This would help maximise the usefulness and value of the space – and identify how each area is paid for and by whom. Key areas to invest in include: • Booking systems • Branding targeting and marketing • Linkage with existing businesses • Local and developing Supply chains • Community involvement • On-site representation and management • Opportunities for local partnership/sponsorships • Commitment to building a business community, which will maximise occupancy In terms of physical development, key issues are: • Very light space • Communal areas where people can mingle • Flexibility • Dynamic spaces offering variety • Ideally linkage between buildings if it is a two building site

BCIS Cost Table

BCIS®

RICS

£/m2 study

Description: Rate per m2 gross internal floor area for the building Cost including prelims.
Last updated: 02-Jan-2021 00:42

> Rebased to Waveney (95; sample 19)

Maximum age of results: Default period

Building function (Maximum age of projects)	£/m² gross internal floor area						Sample
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest	
New build							
320. Offices							
Generally (15)	1,779	908	1,287	1,701	2,130	4,457	99
Air-conditioned							
Generally (15)	1,822	1,076	1,422	1,753	2,107	3,165	31
1-2 storey (15)	1,694	1,076	1,395	1,595	1,812	3,165	12
3-5 storey (15)	1,720	1,234	1,358	1,732	2,107	2,459	11
6 storey or above (15)	2,093	1,574	1,871	2,019	2,180	2,960	7
Not air-conditioned							
Generally (15)	1,761	908	1,273	1,703	2,162	3,079	47
1-2 storey (15)	1,730	969	1,209	1,671	2,165	2,911	24
3-5 storey (15)	1,787	908	1,276	1,769	2,191	3,079	21
6 storey or above (20)	2,158	1,671	-	2,241	-	2,480	4

Appendix 5

Project cash flows

Southwold Enterprise Hub — Baseline no shop, rental option
all figures net of VAT where applicable

Managed Workspace costs & income	Assumption	Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6 +	Year 20
Occupancy									
Occupancy - Commercial	1	188000	35.00%	56.00%	80.00%	100.00%	100.00%	100.00%	100.00%
Operating Income									
Office rental & services fees			65800	105280	150400	188000	188000	188000	188000
Parking income	2		2,400	4,920	6,304	6,461	6,623	6,788	9,592
Operating income			68,200	110,200	156,704	194,461	194,623	194,788	197,592
Operating Costs									
General running costs incl services									
Utilities	3		(9,750)	(13,400)	(16,000)	(36,200)	(36,200)	(17,000)	(17,000)
Telecoms & Connectivity	4		(1,350)	(1,350)	(1,350)	(17,000)	(17,000)	(1,350)	(1,350)
Property cleaning & Waste	5		(5,250)	(5,250)	(5,250)	(1,350)	(1,350)	(5,250)	(5,250)
Security Costs	6		(3,000)	(3,000)	(3,000)	(5,250)	(5,250)	(3,000)	(3,000)
Property Insurance			(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Miscellaneous Expenses	7		(2,000)	(2,000)	(2,000)	(3,000)	(3,000)	(2,000)	(2,000)
Maintenance	8		(4,600)	(4,600)	(4,600)	(2,000)	(2,000)	(4,600)	(4,600)
Marketing	9		(7,000)	(3,000)	(3,000)	(4,600)	(4,600)	(3,000)	(2,998)
Contribution to MF car park (10% of income)	2		(240)	(492)	(630)	(3,000)	(3,000)	(679)	(959)
Head Lease payments to Council			RFP	RFP	(49,250)	(646)	(662)	(49,250)	(49,250)
Sinking fund	10		(3,290)	(5,264)	(7,520)	(49,250)	(49,250)	(9,400)	(9,400)
Staffing costs	12		(40,000)	(40,000)	(40,000)	(9,400)	(9,400)	(40,000)	(40,000)
Business rates (on unoccupied/communal areas)	11		(34,196)	(33,982)	(18,686)	(40,000)	(40,000)	(6,534)	(7,128)
Totals			(113,676)	(115,338)	(154,287)	(6,534)	(6,534)	(145,063)	(145,935)
						(145,030)	(145,046)		
Annual Gross Profit Managed Workspace			(45,476)	(5,138)	2,417	49,431	49,577	49,726	51,657
Operational Cashflow excluding any profit share			(45,476)	(50,614)	(48,197)	1,234	50,811	100,537	807,499
Managed workplace annual profit									
Managed Workspace Cumulative Profit			(45,476)	(50,614)	(48,197)	1,234	50,811	100,537	807,499
					49,250	98,500	147,750		
Income to council and cumulative income			0		49,250	49,250	49,250	49,250	49,250
								197,000	886,500
			-67%	-5%	2%	25%	25%	26%	

Notes

1 Net income calculation based on 80% occupancy
 -See separate calculation
2 Parking income and share to STC - Based on 2019 Business case
3 Utilities based on water @ £2,000 pa and Electricity at 15,000 pa
4 Telecoms and connectivity based on £100 pcm plus £150 pa for postage
5 Cleaning and waste covers waste/sanitary disposal and office cleaning
6 Security covers alarm and CCTV monitoring, plus maintenance of these items
7 Miscellaneous covers stationery, office supplies, photocopier hire etc
8 Maintenance covers Grounds, general office upkeep, PAT testing etc
9 Marketing includes materials, social media, website, promotions etc
10 Sinking fund for major capital repairs and renewals 5% of income
11 Based on 2019 business plan

Southwold Enterprise Hub
Baseline with shop, rental option

all figures net of VAT where applicable

Managed Workspace costs & income	Assumption	Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+	Year 20
Occupancy									
Occupancy - Commercial	1	176000	35.00%	56.00%	80.00%	100.00%	100.00%	100.00%	100.00%
Shop			0	0	6500	6500	6500	6500	6500
Operating Income									
Office and shop rental & services fees			61600	98560	140800	176000	176000	176000	176000
Parking income	2		2,400	4,920	6,304	6,461	6,623	6,788	9,592
Operating income			64,000	103,480	147,104	182,461	182,623	182,788	185,592
Operating Costs									
General running costs incl services						(36,200)	(36,200)		
Utilities	3		(9,750)	(13,400)	(16,000)	(17,000)	(17,000)	(17,000)	(17,000)
Telecoms & Connectivity	4		(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)
Property cleaning & Waste	5		(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)
Security Costs	6		(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Property insurance			(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Miscellaneous Expenses	7		(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Maintenance	8		(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)
Marketing	9		(7,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(2,998)
Contribution to MF car park (10% of income)	2		(240)	(492)	(630)	(646)	(662)	(679)	(959)
Head Lease payments to Council	3		RFP	RFP	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)
Sinking fund	10		(3,080)	(4,928)	(7,040)	(8,800)	(8,800)	(8,800)	(8,800)
Staffing costs	12		(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Business rates (on unoccupied/communal areas)	11		(34,195)	(33,982)	(18,686)	(6,534)	(6,534)	(6,534)	(7,128)
Totals			(113,466)	(115,002)	(148,557)	(139,180)	(139,196)	(139,213)	(140,085)
Annual Gross Profit Managed Workspace			(49,466)	(11,522)	(1,453)	43,281	43,427	43,576	45,507
Cashflow excluding any loan repayments etc			(49,466)	(60,988)	(62,441)	(19,160)	24,267	67,843	688,705
Income to council and cumulative income			0	50,500	50,500	50,500 / 101,000	50,500 / 151,500	50,500 / 202,000	50,500 / 909,000
Net income calculation			-77%	-11%	-1%	24%	24%	24%	24%

Notes
1 Net income calculation based on 80% occupancy
  - See separate calculation
2 Parking income and share to STC - Based on 2019 Business case
3 Utilities based on water @ £2,000 pa and Electricity at 15,000 pa
4 Telecoms and connectivity based on £100 pcm plus £150 pa for postage
5 Cleaning and waste covers waste/sanitary disposal and office cleaning
6 Security covers alarm and CCTV monitoring, plus maintenance of these items
7 Miscellaneous covers stationery, office supplies, photocopier hire etc
8 Maintenance covers Grounds, general office upkeep, PAT testing etc
9 Marketing includes materials, social media, website, promotions etc
10 Sinking fund for major capital repairs and renewals 5% of income
11 Based on 2019 business plan

Southwold Enterprise Hub — Improved pformance, no shop, rental option

all figures net of VAT where applicable

Managed Workspace costs & income	Assumption	Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6 +	Year 20
Occupancy									
Occupancy - Commercial	1	212000	35.00%	56.00%	80.00%	100.00%	100.00%	100.00%	100.00%
								1400.0%	
Operating Income									
Office rental & services fees			74200	118720	169600	212000	212000	212000	212000
Parking income	2		2,400	4,920	6,304	6,461	6,623	6,788	9,592
Operating income			76,600	123,640	175,904	218,461	218,623	218,788	221,592
Operating Costs									
General running costs incl services						(36,200)	(36,200)		
Utilities	3		(9,750)	(13,400)	(16,000)	(17,000)	(17,000)	(17,000)	(17,000)
Telecoms & Connectivity	4		(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)
Property cleaning & Waste	5		(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)
Security Costs	6		(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Property insurance			(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Miscellaneous Expenses	7		(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Maintenance	8		(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)
Marketing	9		(7,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(2,998)
Contribution to MF car park (10% of income)	2		(240)	(492)	(630)	(646)	(662)	(679)	(959)
Head Lease payments to Council	3		RFP	RFP	(49,250)	(49,250)	(49,250)	(49,250)	(49,250)
Sinking fund	10		(3,710)	(5,936)	(8,480)	(10,600)	(10,600)	(10,600)	(10,600)
Staffing costs	12		(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Business rates (on unoccupied/communal areas)	11		(34,196)	(33,982)	(18,686)	(6,534)	(6,534)	(6,534)	(7,128)
Totals			(114,096)	(116,010)	(155,247)	(146,230)	(146,246)	(146,263)	(147,135)
Annual Gross Profit Managed Workspace			(37,496)	7,630	20,657	72,231	72,377	72,526	74,457
Cashflow excluding any loan repayments etc			(37,496)	(29,866)	(9,209)	63,022	135,399	207,925	1,234,087
Managed Workspace Cumulative Profit			(37,496)	(29,866)	(9,209)	63,022	135,399	207,925	1,234,087

Notes

1. Net income calculation based on 80% occupancy
   -See separate calculation
2. Parking income and share to STC - Based on 2019 Business case
3. Utilities based on water @ £2,000 pa and Electricity at 15,000 pa
4. Telecoms and connectivity based on £100 pcm plus £150 pa for postage
5. Cleaning and waste covers waste/sanitary disposal and office cleaning
6. Security covers alarm and CCTV monitoring, plus maintenance of these items
7. Miscellaneous covers stationery, office supplies, photocopier hire etc
8. Maintenance covers Grounds, general office upkeep, PAT testing etc
9. Marketing includes materials, social media, website, promotions etc
10. Sinking fund for major capital repairs and renewals 5% of income
11. Based on 2019 business plan

Southwold Enterprise Hub
Improved performance with shop rental option
all figures net of VAT where applicable

Managed Workspace costs & income	Assumption	Revenue	Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+	Year 20
Occupancy										
Occupancy - Commercial	1	200000		35.00%	56.00%	80.00%	100.00%	100.00%	100.00%	100.00%
Shop		6500	1400.0%	6500	6500	6500	6500	6500	6500	6500
Operating Income										
Office and shop rental & services fees	2			70000	112000	160000	200000	200000	200000	200000
Parking income		£600.00		2,400	4,920	6,304	6,461	6,623	6,788	9,592
Operating income				72,400	116,920	166,304	206,461	206,623	206,788	209,592
Operating Costs										
General running costs incl services							(36,200)	(36,200)		
Utilities	3			(9,750)	(13,400)	(16,000)	(17,000)	(17,000)	(17,000)	(17,000)
Telecoms & Connectivity	4			(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)
Property cleaning & Waste	5			(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)
Security Costs	6			(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Property insurance	7			(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Miscellaneous Expenses	8			(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Maintenance				(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)
Marketing	9			(7,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(2,993)
Contribution to MF car park (10% of income)	2			(240)	(492)	(630)	(646)	(662)	(679)	(959)
Head Lease payments to Council	3			RFP	RFP	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)
Sinking fund	10			(3,500)	(5,600)	(8,000)	(10,000)	(10,000)	(10,000)	(10,000)
Staffing costs	12			(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)	(40,000)
Business rates (on unoccupied/communal areas)	11			(34,196)	(33,982)	(18,686)	(6,534)	(6,534)	(6,534)	(7,128)
Totals				(113,886)	(115,674)	(149,517)	(140,380)	(140,396)	(140,413)	(141,285)
Annual Gross Profit Managed Workspace				(41,486)	1,246	16,787	66,081	66,227	66,376	68,307
Cashflow excluding any loan repayments etc				(41,486)	(40,240)	(23,453)	42,628	108,855	175,231	1,115,293
Managed Workspace Cumulative Profit				(41,486)	(40,240)	(23,453)	42,628	108,855	175,231	1,115,293

Notes

1. Net income calculation based on 80% occupancy -See separate calculation
2. Parking income and share to STC - Based on 2019 Business case
3. Utilities based on water @ £2,000 pa and Electricity at 15,000 pa
4. Telecoms and connectivity based on £100 pcm plus £150 pa for postage
5. Cleaning and waste covers waste/sanitary disposal and office cleaning
6. Security covers alarm and CCTV monitoring, plus maintenance of these items
7. Miscellaneous covers stationery, office supplies, photocopier hire etc
8. Maintenance covers Grounds, general office upkeep, PAT testing etc
9. Marketing includes materials, social media, website, promotions etc
10. Sinking fund for major capital repairs and renewals 5% of income
11. Based on 2019 business plan

Southwold Enterprise Hub

Baseline no shop Contract option

all figures net of VAT where applicable

Managed Workspace costs & income	Assumption	Revenue	Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+	Year 20
Occupancy										
Occupancy - Commercial	1	188000		35.00%	56.67%	80.00%	100.00%	100.00%	100.00%	100.00%
										1400.0%
Operating Income										
Office rental & services fees	2		£600.00	65800	106533	150400	188000	188000	188000	188000
Parking income				2,400	4,920	6,304	6,461	6,623	6,788	9,592
Operating income				68,200	111,453	156,704	194,461	194,623	194,788	197,592
Operating Costs										
General running costs incl services							(36,200)	(36,200)		
Utilities	3			(9,750)	(13,400)	(16,000)	(17,000)	(17,000)	(17,000)	(17,000)
Telecoms & Connectivity	4			(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)
Property cleaning & Waste	5			(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)
Security Costs	6			(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Property insurance				(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Miscellaneous Expenses	7			(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Maintenance	8			(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)
Marketing	9			(7,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(2,998)
Contribution to MF car park (10% of income)	2			(240)	(492)	(630)	(646)	(662)	(679)	(959)
Management staff and contract costs	12			(54,000)	(54,000)	(54,000)	(54,000)	(54,000)	(54,000)	(54,000)
Management % of rent (net of shop)				(6,580)	(10,653)	(15,040)	(18,800)	(18,800)	(18,800)	(18,800)
Maintenance sinking fund	10			(3,290)	(5,327)	(7,520)	(9,400)	(9,400)	(9,400)	(9,400)
Business rates (on unoccupied/communal areas)	11			(34,196)	(33,557)	(18,686)	(6,534)	(6,534)	(6,534)	(7,128)
Totals				(134,256)	(139,629)	(134,077)	(128,580)	(128,595)	(128,613)	(129,485)
Annual Gross Profit Managed Workspace				(66,056)	(28,176)	22,627	65,881	66,027	66,176	68,107
Cashflow excluding any loan repayments etc				(66,056)	(94,232)	(71,605)	(5,723)	60,303	126,479	1,063,741
Managed workplace annual profit incl loan servicing										
Net cumulative position										
Notes				-97%	-25%	14%	34%	34%	34%	34%

Notes

1. Net income calculation based on 80% occupancy
   - See separate calculation
2. Parking income and share to STC - Based on 2019 Business case
3. Utilities based on water @ £2,000 pa and Electricity at 15,000 pa
4. Telecoms and connectivity based on £100 pcm plus £150 pa for postage
5. Cleaning and waste covers waste/sanitary disposal and office cleaning
6. Security covers alarm and CCTV monitoring, plus maintenance of these items
7. Miscellaneous covers stationery, office supplies, photocopier hire etc
8. Maintenance covers Grounds, general office upkeep, PAT testing etc
9. Marketing includes materials, social media, website, promotions etc
10. Sinking fund for major capital repairs and renewals 5% of income
11. Based on 2019 business plan
12. Based on managed operating model, allowing for 1 FT and one apprentice, fee with fixed element + 10% rent

Southwold Enterprise Hub — Baseline with shop, Contract option

all figures net of VAT where applicable

Managed Workspace costs & income	Assumption	Revenue	Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+	Year 20
Occupancy										
Occupancy - Commercial	1	176000		35.00%	56.67%	80.00%	100.00%	100.00%	100.00%	100.00%
			6500	0	0	6500	6500	6500	6500	6500
									1400.0%	
Operating Income										
Office and shop rental & services fees				61600	99733	140800	176000	176000	176000	176000
Parking income	2	£600.00		2,400	4,920	6,304	6,461	6,623	6,788	9,592
Operating income				64,000	104,653	147,104	182,461	182,623	182,788	185,592
Operating Costs										
General running costs incl services							(36,200)	(36,200)		
Utilities	3			(9,750)	(13,400)	(16,000)	(17,000)	(17,000)	(17,000)	(17,000)
Telecoms & Connectivity	4			(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)
Property cleaning & Waste	5			(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)
Security Costs	6			(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Property insurance				(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Miscellaneous Expenses	7			(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Maintenance	8			(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)
Marketing	9			(7,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(2,998)
Contribution to MF car park (10% of income)	2			(240)	(492)	(630)	(646)	(662)	(679)	(959)
Management staff and contract costs	12			(54,000)	(54,000)	(54,000)	(54,000)	(54,000)	(54,000)	(54,000)
Management % of rent (net of shop)				(6,160)	(9,973)	(14,080)	(17,600)	(17,600)	(17,600)	(17,600)
Maintenance sinking fund	10			(3,290)	(4,987)	(7,040)	(8,800)	(8,800)	(8,800)	(8,800)
Business rates (on unoccupied/communal areas)	11			(34,196)	(33,557)	(18,686)	(6,534)	(6,534)	(6,534)	(7,128)
Totals				(133,836)	(138,609)	(132,637)	(126,780)	(126,796)	(126,813)	(127,685)
Annual Gross Profit Managed Workspace				(69,836)	(33,956)	14,467	55,681	55,827	55,976	57,907
Cashflow excluding any loan repayments etc				(69,836)	(103,792)	(82,825)	(20,643)	41,683	104,159	989,621
				-109%	-32%	10%	31%	31%	31%	31%

Notes

1. Net income calculation based on 80% occupancy
   - See separate calculation
2. Parking income and share to STC - Based on 2019 Business case
3. Utilities based on water @ £2,000 pa and Electricity at 15,000 pa
4. Telecoms and connectivity based on £100 pcm plus £150 pa for postage
5. Cleaning and waste covers waste/sanitary disposal and office cleaning
6. Security covers alarm and CCTV monitoring, plus maintenance of these items
7. Miscellaneous covers stationery, office supplies, photocopier hire etc
8. Maintenance covers Grounds, general office upkeep, PAT testing etc
9. Marketing includes materials, social media, website, promotions etc
10. Sinking fund for major capital repairs and renewals 5% of income
11. Based on 2019 business plan
12. Based on managed operating model, allowing for 1 FT and one apprentice, fee with fixed element + 10% rent

Southwold Enterprise Hub

Improved performance, no shop, contract option

all figures net of VAT where applicable

Managed Workspace costs & income	Assumption	Revenue	Revenue	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+	Year 20
Occupancy		212000								
Occupancy - Commercial	1			35.00%	56.67%	80.00%	100.00%	100.00%	100.00%	100.00%
										1400.0%
Operating Income										
Office rental & services fees	2		£600.00	74200	120133	169600	212000	212000	212000	212000
Parking income				2,400	4,920	6,304	6,461	6,623	6,788	9,592
Operating income				76,600	125,053	175,904	218,461	218,623	218,788	221,592
Operating Costs										
General running costs incl services							(36,200)	(36,200)		
Utilities	3			(9,750)	(13,400)	(16,000)	(17,000)	(17,000)	(17,000)	(17,000)
Telecoms & Connectivity	4			(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)
Property cleaning & Waste	5			(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)
Security Costs	6			(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Property insurance				(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Miscellaneous Expenses	7			(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Maintenance	8			(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)
Marketing	9			(7,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(2,998)
Contribution to MF car park (10% of income)	2			(240)	(492)	(630)	(646)	(662)	(679)	(959)
Management staff and contract costs	12			(54,000)	(54,000)	(54,000)	(54,000)	(54,000)	(54,000)	(54,000)
Management % of rent (net of shop)				(7,420)	(12,013)	(16,960)	(21,200)	(21,200)	(21,200)	(21,200)
Maintenance sinking fund	10			(3,290)	(6,007)	(8,480)	(10,600)	(10,600)	(10,600)	(10,600)
Business rates (on unoccupied/communal areas)	11			(34,196)	(33,557)	(18,686)	(6,534)	(6,534)	(6,534)	(7,128)
Totals				(135,096)	(141,669)	(136,957)	(132,180)	(132,196)	(132,213)	(133,085)
Annual Gross Profit Managed Workspace				(58,496)	(16,616)	38,947	86,281	86,427	86,576	88,507
Cashflow excluding any loan repayments etc				(58,496)	(75,112)	(36,165)	50,117	136,543	223,119	1,445,981
				-76%	-13%	22%	39%	40%	40%	

Notes
1 Net income calculation based on 80% occupancy
- See separate calculation
2 Parking income and share to STC - Based on 2019 Business case
3 Utilities based on water @ £2,000 pa and Electricity at 15,000 pa
4 Telecoms and connectivity based on £100 pcm plus £150 pa for postage
5 Cleaning and waste covers waste/sanitary disposal and office cleaning
6 Security covers alarm and CCTV monitoring, plus maintenance of these items
7 Miscellaneous covers stationery, office supplies, photocopier hire etc
8 Maintenance covers Grounds, general office upkeep, PAT testing etc
9 Marketing includes materials, social media, website, promotions etc
10 Sinking fund for major capital repairs and renewals 5% of income
11 Based on 2019 business plan
12 Based on managed operating model, allowing for 1 FT and one apprentice, fee with fixed element + 10% rent

Southwold Enterprise Hub
all figures net of VAT where applicable

Improved performance, with shop, contract option

Managed Workspace costs & income	Assumption	Revenue	Revenue	26.67%	33.33%	40.00%	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6+	Year 20
Occupancy							35.00%	56.67%	80.00%	100.00%	100.00%	100.00%	100.00%
Occupancy - Commercial	1	200000		26.67%	33.33%	40.00%							
							0	0	6500	6500	6500	6500	6500
Operating Income													
Office and shop rental & services fees	2		£600.00	13333	16667	20000	70000	113333	160000	200000	200000	200000	200000
Parking income							2,400	4,920	6,304	6,461	6,623	6,788	9,592
Operating Income				13,333	16,667	20,000	72,400	118,253	166,304	206,461	206,623	206,788	209,592
Operating Costs													
General running costs incl services										(36,200)	(36,200)		
Utilities	3			(2,250)	(2,250)	(2,250)	(9,750)	(13,400)	(16,000)	(17,000)	(17,000)	(17,000)	(17,000)
Telecoms & Connectivity	4			(338)	(338)	(338)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)	(1,350)
Property cleaning & Waste	5			(1,313)	(1,313)	(1,313)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)	(5,250)
Security Costs	6			(750)	(750)	(750)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Property insurance				(750)	(750)	(750)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Miscellaneous Expenses	7			(500)	(500)	(500)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Maintenance	8			(1,150)	(1,150)	(1,150)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)
Marketing	9			(1,750)	(1,750)	(1,750)	(7,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(2,998)
Contribution to MF car park (10% of income)	2						(240)	(492)	(630)	(646)	(662)	(679)	(959)
Management staff and contract costs							(54,000)	(54,000)	(54,000)	(54,000)	(54,000)	(54,000)	(54,000)
Management % of rent (net of shop)	12			(627)	(783)	(940)	(7,000)	(11,333)	(16,000)	(20,000)	(20,000)	(20,000)	(20,000)
Maintenance sinking fund	10						(3,290)	(5,667)	(8,000)	(10,000)	(10,000)	(10,000)	(10,000)
Business rates (on unoccupied/communal areas)	11						(34,196)	(33,557)	(18,686)	(6,534)	(6,534)	(6,534)	(7,128)
Totals				(9,427)	(9,593)	(9,740)	(134,676)	(140,649)	(135,517)	(130,380)	(130,396)	(130,413)	(131,285)
Annual Gross Profit Managed Workspace				3,907	7,083	10,260	(62,276)	(22,396)	30,787	76,081	76,227	76,376	78,307
Cashflow excluding any loan repayments etc							(62,276)	(84,672)	(47,385)	35,197	117,923	200,799	1,371,861

Notes
1 Net income calculation based on 80% occupancy
 - See separate calculation
2 Parking income and share to STC - Based on 2019 Business case
3 Utilities based on water @ £2,000 pa and Electricity at 15,000 pa
4 Telecoms and connectivity based on £100 pcm plus £150 pa for postage
5 Cleaning and waste covers waste/sanitary disposal and office cleaning
6 Security covers alarm and CCTV monitoring, plus maintenance of these items
7 Miscellaneous covers stationery, office supplies, photocopier hire etc
8 Maintenance covers Grounds, general office upkeep, PAT testing etc
9 Marketing includes materials, social media, website, promotions etc
10 Sinking fund for major capital repairs and renewals 5% of income
11 Based on 2019 business plan
12 Based on managed operating model, allowing for 1 FT and one apprentice, fee with fixed element + 10% rent

Reference to key outputs required in the brief

This appendix highlights for reference where the specific key outputs required by the brief are addressed.

The brief outputs are set out below in italics:

2.1 *Key considerations for this Business Case Review to capture and address include the following:*

- *Identify operators and providers of innovation facilities, and potentially of this facility.*
    - o Table 1 and Discussions with Nwes and Menta see para 2.1.4 and following
- *Views of commercial property market agents - a market review*
    - o See section 2.1.5 and following
- *Comparable or competing facilities*
    - o Table 1
- *The requirements of the likely potential users of the proposed Southwold Hub facilities*
    - o Tables 2 & 3
    - o Section 2.1.5
- *A clear view local market demand for this facility in terms of; the nature of that demand (ie what sorts or space/facilities/services are required); the likely levels of user demand for Hub facilities (ie how much, when?) ; rents/service charges which could be achieved.*
    - o Section 2.1.5, Table 1, Table 5, Table 6, Table 7, Table 8, Tables 10 and 11, and 13 & 14
- *The scope and form of the facilities which would best address demand and which should be provided with reference to the currently approved hub scheme. Ie what design aspects should stay and what might needed to be refined?*
    - o Table 6 and section 2.2

2.2 *The corresponding outputs/deliverables required from this commission must include:*
A structured Business Case Review Report covering the items noted in this brief and to include :

- *A market review*
    - o Sections 2.1.2, 2.1.3, 2.1.4, 2.1.5, 2.2.1
- *Recommendations of the likely form, nature, quantum's and timing of user demand and the corresponding facilities needed – considerate of all areas noted under item 2.1 and in a form which can be used for any refinement of the currently approved proposals to ensure that appropriate facilities/flexibility.*
    - o The market review identified that it is impossible to identify quantum and timing of future demand, but confirmed market confidence in the proposal
    - o Table 6 and commentary at 2.2.3 and 2.2.4
- *Review of viability and financial sustainability of the business case based on the items noted in this brief including related calculations and forecasts*
    - o 2.2.4, 2.2.5, 2.2.6, section 2.3
- *Review, forecasts and recommendations of corresponding likely rents/income*

- 2.2.4, 2.2.5, 2.2.6, section 2.3

- *Revised cashflows (in similar scope those in the existing business case) based on the bidders findings of the items noted in this brief. (Nb: assumed development cost estimates can be provide by the current project team to help inform this element)*
  - 2.3.3 and Appendix 5
- *Review and Recommendation on the likely user profiles/target market, key attractions and any USP which could differentiate the offer from the alternatives to potential users.*
  - The main USP is location – "the Southwold Effect" see 2.1.5
  - Target widest user profile to maximise potential – based on advice from the market – see 2.1.5
  - Create linkages with the local community, to maximise usage and income and extend hours of income generation – feedback from operator. See 2.1.4