

The Southwold Enterprise Hub Project – FAQs

Southwold Town Council has been successful in securing a grant of £995,000 of Coastal Communities Fund for the Southwold Enterprise Hub project, as part of an additional £10.4million awarded, in late September 2019, to projects around the British coast.

The Southwold project is part of the town's Coastal Community Team Economic Plan which seeks to create greater future economic prosperity for the town and secure the long-term sustainability of its visitor economy.

What is a Coastal Community Team?

A Coastal Community Team is a local partnership consisting of the local authority and a range of people and business interests from a coastal community who understand the issues facing that area and can develop an effective forward strategy for that place. Teams seek to support the coordination of regeneration projects in their area and be able to access funding opportunities not available to other areas of the country.

Local communities were invited to apply to become a CCT and had to demonstrate an understanding of the issues affecting their area, particularly as regards constraints to growth.

What is the Southwold Coastal Community Team (CCT)?

The Southwold Coastal Community Team (CCT) was set up in 2017 and comprises of representatives from Southwold Town Council, Reydon Parish Council, Southwold and Reydon Society, East Suffolk Council and key business and community stakeholders. It was seeking to create greater future economic prosperity for the town and secure long-term sustainability of its visitor economy, whilst preserving and promoting the Town's unique character.

It was identified that there were several local groups and organisations covering similar areas, carrying out similar activity. In some instances, while working in the best interests of the Town, this actually prevented the Town from moving forward and achieving growth, by working in an uncoordinated and disjointed fashion. The ambition of the CCT was to bring together these groups together, have them talking around one table, in order to facilitate collaborative working and provide a single and strategic economic vision for the Town.

A requirement of a CCT was to create an economic plan which contains key information on the needs of the area and an agreed set of actions to help address the challenges identified. Much research and consultation had already been carried out by the Town Council, as part of the neighbourhood plan and town strategy development, therefore the economic plan contains a number of key projects already identified by the local community, as well as a set of new projects from different organisations.

View the Southwold CCT Economic Plan

<https://www.coastalcommunities.co.uk/wp-content/uploads/2017/08/southwold-cct-ep-update-march-2017.pdf>

Southwold is now one of 146 CCTs, created all around the English coast.

What has the CCT achieved to date?

Access to funding for the Town has been historically poor. It has received little or no support through external funders, but one key benefit of having CCT status is the potential to access external funding for which other areas cannot bid. In addition, Southwold's economic plan now presents a more coherent and evidenced based case that can be used for applications.

The table, below, shows what funding the CCT, and the projects contained within the economic plan, has been able to attract:

Project	External Funding	Source	Match Funding	Source	Total
CCT Economic Plan	£10,000.00	Ministry of Housing, Communities & Local Government	£0.00		£10,000.00
Station Yard	£809,000.00	Coastal Communities Fund	£1,916,458.00	STC	£2,725,458.00
Town Development Team	£186,000.00	Coastal Communities Fund	£0.00		£186,000.00
Boating Lake Feasibility Study	£15,000.00	Coastal Revival Fund	£5,000.00	£2500 STC / £2500 Flood Fund via WDC	£20,000.00
Arts Centre seating	£35,000.00	Coastal Revival Fund	£0.00		£35,000.00
Millennium Foundation (SMF) Visitor Centre	£108,328.80	LEADER	£22,606.20	SMF, loans, donations	£130,935.00
Town Centre Strategy	£9,630.00	Flood Fund via WDC	£0.00		£9,630.00
TOTALS	£1,172,958.80		£1,944,064.20		£3,117,023.00

What is Coastal Communities Fund (CCF)?

Coastal Communities Fund (CCF) is a UK-wide programme funded by the UK Government through the allocation of funding equivalent to 50 per cent of the revenues from the Crown Estate's marine activities. The fund is specifically focused on regeneration and encouraging sustainable economic development through projects that directly or indirectly create sustainable economic growth and jobs.

It is administered through the Ministry of Housing, Communities and Local Government (MHCLG) and since its start in 2012, grants have been awarded to 319 organisations across the UK to the value of £210 million.

The fund is open to the following types of organisation Coastal Community Teams, Local Authorities, other public sector bodies, charities, voluntary and community sector organisations, social enterprises, including

co-operatives and community ownership initiatives, private sector companies and Local Enterprise Partnerships. Any applications from areas with a CCT had to provide a letter from their CCT showing support for the project.

Why did Southwold apply?

With employment in the Town dominated by a visitor economy many low—paid seasonal jobs, there are little career development prospects for residents and the surrounding local communities. For businesses, the economy is equally challenging, demand from national retailers for space in the High Street has driven up rentals and rates; many independent retailers struggle to survive, particularly in the low season with so few residents to support them. For non-retailers, there are virtually no business premises in the town. Those that do come on the market are in the High Street area, with rents comparable to central London rates.

Recent developments in the town have made inroads into the housing issue, with new market housing being delivered alongside a substantial tranche of affordable homes. More housing is due to come online in the coming year, enabling more younger people and families to stay in, or return to, their town. However, alongside affordable housing, it is essential for there to be employment opportunities for returning/retained residents, avoiding the need to travel out of town for work and the incumbent costs on the individual, and loss of income to the town as a result. Whilst the town's tourism/hospitality sectors offer employment, as noted, this tends to be seasonal and low paid.

The research carried out to date by the town council and CCT has reached two recurring conclusions that are relevant to this plan:

1. Southwold must attract non-tourism business into the town offering higher value employment opportunities to help balance the economy and attract more residents to build a sustainable population.
2. There is a scarcity of suitable accommodation for businesses within the town, despite the attraction of Southwold as a place to do business.

There is a clear requirement that any project creates more high-value employment for local people (including those moving into the new affordable housing), attracts new non-tourism businesses to the town and supports and secures the SouthGen Community Hub's efforts to bring new jobs to the town.

What makes up the CCF project?

When round five of CCF was announced in February 2018, the CCT analysed its economic plan and its priorities/initiatives to see what would fit with the fund criteria. A project was devised, and entitled the 'Southwold Enterprise Hub' which realised a number of key elements of the CCT's economic plan as well as local strategies.

It consists of:

1. Creation of new office space to attract knowledge/creative industry businesses to set up in the town, offering higher-value sustainable employment;
2. Establishment of a Southwold Development Team to extend the visitor economy beyond peak season and to support businesses across the town to become more productive.

This fitted well with the overall CCF priority focused on stimulating regeneration and economic growth; in this case regenerating a key site in Southwold. The hub provides a unique workspace, incorporating business support services to encourage business start-ups, growth, diversification as well as safeguarding and creating jobs.

Through all the research and consultation by both the Town Council and CCT has demonstrated that Southwold is facing a crunch situation. The CCF project seeks to develop a co-ordinated programme of activity to enliven the high street and work towards alleviating the displacement caused by the peak summer months.

The project fits extremely well with the ambitions of the Coastal Communities Fund Round 5, which focuses on economic growth, job creation and addressing seasonality within coastal towns.

What will the 'Development Team' be doing?

The Southwold Development Team will consist of a manager, a coordinator and an apprentice. The team will be embedded into the Hub with responsibility for leading the implementation of initiatives which improve the quality and economic viability of Southwold. The Team will:

- Work with and support local businesses both in Station Yard and across the town, helping to assist the Chamber of Trade and make it fit for purpose
- Develop new initiatives to extend the traditional tourist season
- Develop a strong and sustainable business and investment brand for promoting the distinctiveness of the towns business and enterprise offer
- Co-ordinate town centre activity and events development
- Look at the marketing and promotion of the town focusing on out of season activity and developing the **Southwold brand**
- Create themed trails, itineraries, marketing tools and experiences utilising and exploiting Southwold's key assets such as the natural environment, independent businesses, local food and drink production.

The work of the Development Team will be overseen by the CCT and a steering group comprising of the Town Council, East Suffolk Council and a business and community representative.

The 'Hub'

The existing site will be demolished and replaced with two new buildings offering just under 600m² of usable space, forming the Southwold Enterprise Hub, a "Gateway" development at the entrance to the town. Planning permission was granted in January 2019, after extensive amendments required by the Design & Conservation Officer were incorporated into the application.

The development has been designed by Ingleton Wood LLP. It includes one retail unit on the main Station Road frontage plus up to 15 flexible business units, with access to shared facilities including a meeting room, kitchen, accessible toilets and shower. At maximum occupancy, it is projected there will be 37 businesses of which 15 will be new; 76 people will work at the Hub, with up to 36 new jobs created,

Virtual tenancies will also be offered, allowing businesses to benefit from the cachet of the **Southwold brand**, and creating a pathway for those intending to move into the town in future.

The retail unit on the Station Road frontage will remain with significantly upgraded facilities once the build has been completed. It is envisaged that when the offices are occupied, the additional footfall to the shop – and the wider vicinity – will help to improve its year-round sustainability.

How much will the project cost?

The overall project, including capital works, marketing, staff etc., is expected to cost £2.911m, of which the capital element is £2.725m.

A grant of £995,000 was requested from the Coastal Communities Fund, 34% of the overall project budget. Match funding from the Town Council of £1.916m will be made up of £895k from the previous sale of a property, and £1.021m from a further sale of property or from a Public Works Board loan or a combination of both.

In time, when the positive impact of the Development Team is evident, it is planned that these roles will become self-funded. The project, in this respect, has been informed by the success of Falmouth's Town Manager. Income, from the managed workspace, will initially help to fund the three Development Team roles and, in the longer term, as these become self-financing, would provide the scope for the Town Council to acquire further properties in the Town for conversion, in order to extend the Hub model.

How is this project different from what is being progressed at the Hospital?

The former hospital site in Southwold is being developed as a community hub, offering a nursery, farm-to-fork café, the public library and a co-working space. The co-working space will provide up to 30 desks for hire, with superfast broadband, access to meeting services etc. The SouthGen Community Hub business plan estimates that it will create 35 new jobs in Southwold and Reydon in its first five years, the majority through its co-working provision attracting start-ups.

Given the nature of co-working space, it is likely that almost all the occupants will be self-employed/single person companies. SouthGen Community Hub offers excellent opportunities for start-ups, and existing entrepreneurs making the first move away from the kitchen table. However, should these same businesses expand beyond single person entities and therefore potentially create further higher-value employment opportunities for local people, the dearth of office premises in Southwold would force them to move elsewhere. Losing growing businesses, originally fostered by SouthGen Community Hub's excellent offering, is a key issue for Southwold that needs to be tackled urgently.

Where will these businesses come from?

The project aims to support start-up businesses in the town, businesses that wish to expand, and, importantly, those from outside the area that want to relocate to the town or develop additional offices within the town

The many assets of Southwold that attract visitors also have the potential to attract business owners making quality of life changes, particularly those from London and the South East (where property prices are even higher than Southwold, meaning that a major barrier is removed) so virtual tenancies will also be offered, allowing businesses to benefit from the cachet of the Southwold brand, and creating a pathway for those intending to move into the town in future

In designing the centre, consideration was given to creating spaces to meet the varying needs of the small and micro businesses likely to choose Southwold as their base. It is anticipated that the occupants of the Enterprise Hub will be a blend of:

- start-ups businesses requiring premises, perhaps even as new joint ventures with shared admin staff
- 'moving on' micro and small businesses that are expanding, taking on new staff, increasing their capacity or looking for more or better space, including businesses initially established within the SouthGen Community Hub
- a smaller number of established businesses that may expand marginally in new accommodation

Who will run the Hub?

The Enterprise Hub will be owned by the Town Council. A project team will be established to deliver the capital project and supervise the implementation, but the hub will be run as managed workspace, with support from an experienced provider to co-ordinate all aspects of securing tenants, including legal and financial processes, as well as managing the facility day to day. The Town Council will be recruiting this provider.

History of the Station Yard Project (from a town council perspective)

Since 2000, the Town council has considered various options for the removal of the existing premises and redevelopment of the Station Yard site. These options have included development for housing, as well as sale of the site.

In 2014, Southwold Town Council instructed Ingleton Wood LLP to explore options for the potential redevelopment of the whole entrance to the Town, crossing the marshes from nearby Reydon. The area is an important location, being the first thing people see when they enter the town and was a mixture of ad hoc development and redundant utility buildings. The Town Council was keen to build on the planning policies within the then Waveney District Council's Adopted Development Plan, to provide a locally specific guide to influence future developments within the area and promote high quality design in this sensitive location. These options included the Station Yard site.

See Southwold Enterprise Hub Business Plan on Town Council website www.southwoldtown.com for details of the options appraisals.

CONCLUSION

The Southwold Enterprise Hub is much greater than its physical footprint. By providing not only space, but support and leadership for the business community, combined with strategic development to help extend the visitor economy outside the peak season, Southwold Enterprise Hub is the first key step in helping Southwold become a more balanced, vibrant and sustainable community.

Being successful in receipt of **Coastal Community Funding**, presents an excellent opportunity for the Town of Southwold, its residents, businesses and visitors that, potentially, will not come around again, due to changes in national funding allocations, in light of Brexit.