

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET

Decision Made: 19 March 2024

Arts Hub & Maker Space

Issue for Decision

To seek approval for a Community Arts Hub and Creative Maker Space in Granada House in 2024/25 to run for a three year trial period.

Decision Made

To approve the creation and trial of a Creative Maker Space and Arts Hub in Granada House in 2024/25 to run for a three year trial period.

Reasons for Decision

In June 2021 the Council created and submitted its local investment plan for UKSPF. A Community Arts Hub and Maker Space was included as a project with the following description:

Community Arts Hub & Maker Space

Utilise an empty unit/building in the town centre and repurpose to provide:

- Low cost exhibition space for local artists and creatives
- Space to deliver arts activities and workshops for the local community
- Retail area where creatives can hire a shelf/unit to sell their products
- Space for community arts groups to meet/rehearse (e.g. local choirs)
- 6 – 8 low-rent studios for use by local artists and creatives
- Mix of clean and messy studio spaces
- Informal meeting area(s) to facilitate networking and collaboration
- Potential to employ an 'artist in residence' to lead activities or to work with different artists/groups to deliver
- Focal point for arts in the town
- Base for town centre events and festivals

Artists and creatives can be offered discounted hire rates in exchange for giving some of their time to lead workshops and/or help manage the facility.

If the right premises can be identified there is potential to enhance the offer to include small-scale theatrical productions/music performances/open-mic sessions/comedy nights/poetry readings, etc. which could also contribute to the early evening and night-time economy.

In year 2 of the UK Shared Prosperity Fund, £5,000 was allocated for a feasibility study, this is attached at Appendix 1 to the report for information.

The feasibility study identifies evidence of a need for creative maker space in Maidstone at page 16. This includes a recent survey carried out by Maidstone Arts Group amongst 100 creatives, with responses from 90 of them. 100% were

supportive of a creative arts hub for the town.

Main things they would like to see in the hub are: Artist's Studio Space, Music Studio Space, low cost exhibition/gallery space, live music area, café, workshop space

This reinforces earlier research from a gathering of over 50 creatives held in 2021 when the lack of venues, flexible spaces and a focal point for the arts were identified as key issues for the sector.

Further research has also been carried out by KCC on the needs of creatives across the county (Appendix 2 to the report):

- Venues and spaces – general maker spaces with opportunities to meet other creatives
- Financial support – grants to support core operation, acquire assets and upskill
- Practical support – shared tools, data and equipment, childcare, careers advice and training
- Business skills – fundraising, accounting and legal, PR and marketing
- Peer and networking opportunities

Recent work by We Made That as part of the Town Centre Strategy also reinforces this view.

Cushman and Wakefields market assessment completed for the purpose of the Town Centre Strategy identified the following:

"The Government definition of a Makerspace is "a physical location where people gather to co-create, share resources and knowledge, work on projects, network, and build"; it is in effect a flex space as described in the "Flexible Office Space" section of the report, with a focus on light industrial and manufacturing uses, which will typically include provision of workbenches, tools and other appropriate technology required by the industry specifically being targeted. Makerspaces are often operated/ funded by Councils and charitable funds due to the viability challenges associated with their low rent, high-turnover of occupants, which can make including them in a scheme challenging.

However, there are a number of potential benefits to such spaces being made available that may be to the long-term benefit of Maidstone Town Centre, in particular by providing an opportunity for businesses to access resource and support, enabling them to develop new products and services in a cost-effective manner. This can lead to reduced lead or manufacturing times, thus increasing their national and global edge and therefore capacity for growth. Furthermore, the presence of such space unlocks capacity to provide tutored workshops; these allow local residents of all ages to "upskill", ideally under the stewardship of larger businesses, increasing the local skill base and attracting new businesses to the area.

Manufacturing is a small part of the overall composition of industrial provision in Maidstone, with the majority of the space in the Borough being the c. 640k sqft Marley Plumbing & Drainage site. This indicates there is not currently a large manufacturing base in Maidstone; whilst this presents some issues delivering light industrial space in the town centre; there is unlikely to be a significant amount of demand for space in the town centre and viability will be a challenge

as a result. In spite of this, the less commercial approach of makerspaces presents an opportunity – whilst such space is unlikely to contribute to a viable scheme, it could be a positive contributor in the town centre, by increasing footfall or occupying commercial space that may otherwise be vacant such as off-pitch retail, for example.”

Beyond the wider impact on communities and the benefits for the arts, consideration has also been given to the economic benefits of a creative maker space and arts hub in the town centre. Looking at the number of units and occupancy up to 40 jobs could be created. There is also synergy with other services and we are proposing that the business advisor support we have in our economic development function is made available to tenants of the hub.

Unit 7 – 8 Granada House is a potential option, being of reasonable size and already owned by the Council

We understand from the Property team that the current occupant is looking to relocate and the unit will soon be vacant. Assuming Pages Schoolwear move into Units 4 – 6 Granada House, then there are currently no other MBC-owned properties within the town centre of a suitable size for the Arts Hub. The only other option would be a commercial unit which would require significantly more financial commitment.

Officers have visited Granada House and we believe it has potential to offer a variety of uses which could help us establish where there is greatest need (e.g. studio space/exhibitions, retail, workshops, etc) and could also allow us to maximise opportunities for income-generation.

A proposed layout for the space is included at Appendix 3 to the report.

Costs

The Property team have provided some rough costings for carrying out the necessary refurbishments. These are included in Appendix 5 to the report.

We have put together a business case for the Arts Hub (Appendix 4 to the report) and some basic financials to indicate the likely costs and potential income for the project (see Appendix 5 to the report).

If projected income is achieved the project will only need additional funding up to year 3 with the largest cost in year 1 for fit out. There are business rates costs associated with the project and these have been included in the costs. Rent has not been included in the cost as this is a council owned property, however the opportunity cost of lost rent should be noted of £24,000p.a. and this is part of the Council's contribution to the project. Occupancy rates have been assumed of 50% in year 1, 75% in year 2 and 90% in year 3, there is a risk that these rates may not be achieved.

Managing the facility

There are two options for managing the day-to-day running of the Arts Hub.

Option One – MBC takes on direct responsibility

Employ one or two members of staff (part-time/job share)

Responsible for staffing during opening hours

Manage bookings for the meeting room(s), workshop space(s) and gallery

Provide a point of contact for the artists and creatives renting studio space and retail space

Encourage artists/creatives wanting to sell in the retail space to share responsibility for staffing it (e.g. reduction in rent for X hours worked per month)

Appoint an 'Artist in Residence' to deliver a programme of public engagement activities during the course of the trial period, offering regular weekly/monthly activities, and also assisting with other MBC arts/cultural events as necessary. This person could be one of the two job-share employees.

On this basis, we could run the Hub as an MBC initiative initially, working closely with partners to work towards the project being operated by a creative organisation in the future.

Option Two – open call to local creative/arts organisations

Go out to tender for a local arts organisation/charity to take on responsibility for running the facility

They would pay rent to MBC and operate the hub themselves

Reduced/no business rates if a charity or CIC

MBC could provide business support via the Business Terrace for the studios/maker spaces

Funding

£45,000 from UKSPF

*Up to £150,000 from s106

*These funds could be used to cover the refurbishment and fit-out of the unit.

We will need to apply to Arts Council England (ACE) for a grant to support the Hub for a trial period (ACE will usually fund projects that last up to 3 years). This will help to cover running costs, including salaries, as well as materials and equipment to deliver a programme of public engagement events/activities. If this is unsuccessful we will need to use alternative resource to support the hub for example the business rates pool.

Arts Council England (ACE) funding options

1. Project grant of up to £100,000. If we want to include any 'build' costs as part of this, we will need to contact ACE before submitting a full application.
2. Project grant of more than £100,001 – if the project doesn't relate to one

of ACE's Strategic Strands then we must contact them first. The guidance states: "We want to make sure that a project of this size has the potential impact that we would expect before you invest time in developing a full application. We will also think about where we have budget available. We will confirm in writing whether you can apply."

3. Major Projects Strategic Strand - to be eligible for this, our application needs to:
 - Be for £100,001 or over. There is no maximum threshold for the fund.
 - Meet the ACE definition of a Major Project. A Major Project is defined as an ambitious, high-quality project that is likely to leave a legacy beyond its funded life.
 - Major Projects applications must be grounded in at least one Element of the Creative and Cultural Country Outcome of the ACE strategy. There are two Elements that might be relevant for our proposal:
 - Element Q: Giving more opportunities to people (especially those who are currently underrepresented) to start a professional career in the creative industries
 - Element R: Ensuring people (especially those who are currently underrepresented) have opportunities to sustain their careers and fulfil their potential in the creative industries.

4. Place Partnerships Strategic Strand – to be eligible for this, our application needs to:
 - Be for £100,001 or over. There is no maximum threshold for the fund.
 - Be for a strategic place-based intervention that is intended to make a long-term difference to the cultural or creative life of the local community;
 - Make a clear step change in provision in that place where a relevant partnership exists to deliver the project
 - Be informed by robust needs analysis and respond to relevant local strategies and
 - Be led by a consortium of partners who are relevant to delivering the project

To apply for either the Major Projects or Place Partnerships Strands, we would need to submit an Expression of Interest in the first instance. If approved, we could then proceed to a full application.

Approach to letting units

For units 1-4

Our policy will be these spaces are for 'start-up businesses' trading for less than 24 months prior to starting their tenancy.

Businesses can occupy an incubator unit for up to a maximum of two years, which has been split into 2x6 month licences, followed by a 12 month licence agreement.

Units 5-7 more market rates as established business.

Business Support:

1. Arts, Culture and Events Officer to contact ED with prospective tenant details to arrange a business advisory session.
2. Start-up meets Economic Development's External Business advisor to run through their business idea and business plan.
3. Business advisor to advise MBC that the business start-up is as financially viable as can be checked as a start-up, the business idea is viable and is able to take on the liability of a licence agreement.
4. MBC agrees licence.
5. As the business grows, they can go back to the Business Advisor for additional support and guidance.
6. The business would automatically be invited to join Economic Developments business database for invites to future business networking events, available grants and business support workshops.

The matter was considered by the Communities, Leisure and Arts Policy Advisory Committee on 5 March 2024, which agreed the recommendations.

Alternatives considered and why rejected

It could have been decided not to proceed with the project or take an alternative approach but, for reasons specified above, it was agreed to carry out the project as proposed.

Background Papers

Local Investment Plan for UKSPF

I have read and approved the above decision for the reasons (including possible alternative options rejected) as set out above.



Signed: _____
Councillor David Burton – Leader of the Council

Full details of both the report for the decision taken above and any consideration by the relevant Policy Advisory Committee can be found at the following area of the [website](#)

Call-In: Should you be concerned about this decision and wish to call it in, please submit a call-in form signed by any three Members to the Proper Officer by: **5pm on 28 March 2024**