

MAIDSTONE BOROUGH COUNCIL

**ECONOMIC AND COMMERCIAL DEVELOPMENT OVERVIEW &
SCRUTINY COMMITTEE**

TUESDAY 25TH NOVEMBER 2014

**REPORT OF DIRECTOR OF ENVIRONMENTAL AND SHARED
SERVICES**

Report prepared by Karen Franek

1. MAIDSTONE ENTERPRISE HUB

1.1 Issue for Consideration

1.1.1 To note the progress on establishing an Enterprise Hub in Maidstone and discuss the option being considered as on the exempt appendix.

1.2 Background

1.3.1 There is a continuing need for a project to emphasise and action the Council's commitment to stimulating indigenous growth and job creation by increasing start up and survival rates, safeguarding existing jobs and helping improve the skills, innovation and competitiveness of businesses across the Borough.

1.3.2 To achieve this, the strategic need and demand for an Enterprise Hub has long been established being first included in the 2008 Economic Development Strategy. This is reinforced strongly by evidence underpinning the emerging Economic Development Strategy 2012-2031 and new Local Plan:

1.3.3 It was not until 2013 that an opportunity to finance the hub project arose through Kent County Council's Flexible Workspaces Programme Fund. Maidstone's bid was not followed through to final approval after KCC withdrew the grant element from the Programme.

1.3.4 Maidstone Council then looked at both financing the grant shortfall and proceeding with the KCC bid and funding the project in full through the Capital Loans Board. While acknowledging the need for an Enterprise Hub, the perceived level of risk was considered too significant due to high capital start up costs and potential ongoing revenue liability if the hub was not successful. It was therefore decided not to pursue the former Post Office site in King Street which had been the basis of the KCC bid.

- 1.3.5 In the above context a report was subsequently presented to Corporate Leadership Team in July 2014 with short, medium and long term options for establishing an Enterprise Hub and how they could achieve borough-wide Economic Development outcomes
- 1.3.7 As a result officers were asked to look into possible solutions which included revisiting previous plans for an Enterprise Hub within the Council's own property portfolio. This work has been undertaken in tandem with the proposed strategy for future office accommodation as reported to Cabinet 13 August 2014.
- 1.3.8 It is the result of the above work which now forms the basis of the draft report attached as an exempt appendix for the committee's consideration.