

To: Leadership Board

On: 28 April 2021

Report by: Chief Executive

Heading: Start-Up Street

1. Summary

- 1.1. Renfrewshire Council's Economic Development team has responsibility for business start-up, development and growth across Renfrewshire
- 1.2. In Dec 2018 Leadership Board approved a new pilot initiative called "Start-Up Street" to better support business start-up and to provide subsidised managed workspace for new and fledgling businesses.
- 1.3. This report provides an update on the Start-Up Street Initiative in Paisley and the plans to open additional facilities in both Renfrew and Johnstone.

2 Recommendations

- 2.1 It is recommended that the Board:
 - i. notes the progress of the Paisley Start-Up Street Facility; and
 - ii. agrees the approach being taken to develop further facilities in both Renfrew and Johnstone.

3 Background

- 3.1 The Start-Up Street proposal was developed to support the local need for low cost business space and to encourage greater levels of business creation, especially amongst young people.
- 3.2 The plan was to develop a subsidised managed workspace of small bespoke units which would be offered for a maximum of 2 years to new or early stage businesses with a rental model which increases over the 2 years as the businesses grows.

- 3.3 At the end of the contract period the business would be paying the full rental value and could then move to an alternative commercial space in the Renfrewshire area.
- 3.4 Start-Up Street would have space for a range of small businesses and would effectively become a feeder to several the local business centres across Renfrewshire.
- 3.5 A key feature of the proposal would be that a full time business advisor would be based at the premises to offer ongoing advice and support, individually nurturing, and supporting the business tenants and organising group training and development. This support would assist with the growth and sustainability of the business and would help identify move on space at the right stage.
- 3.6 Start-Up Street would add to the existing range of innovative supports in Renfrewshire including InCube (incubation space and programmes for creative businesses) and the Creative Hubs model to develop self-reliant business models.
- 3.7 Suitable Council premises for Start-Up Street were identified in George St in Paisley, part of which had been vacant for over 5 years.

4. Start-Up St Paisley

- 4.1 Despite having premises identified there was a full 18 month delay in being able to progress with building works due to outstanding building issues.
- 4.2 During this time a formal partnership agreement was developed and signed with Launch-It (previously known as the London Youth Support Trust, as mentioned in the previous board report). The Partnership agreement set out the relationship between the charity and the Council and the specific roles of both organisations.
- 4.3 In summary, Launch-It have taken the lease of the building and are liable for rates, insurances, running costs and staff. Launch-It effectively manage the building and receive the subsidised rents from tenants to support the running costs. Renfrewshire Council (Economic Development) have been responsible for the refurbishment and the costs of renting the premises. Both organisations promote the facility and support the businesses within. Launch-It have a focus on young people and are delivering enterprise programmes and support to stimulate more young people setting up in business.
- 4.4 Start-Up Street (Paisley) opened for business on 2nd November 2020. Despite the difficult conditions due to COVID, seven new businesses have already leased space with a number of others interested. Current tenants include clothing designers, retro sweet suppliers, printers, natural beauty products and a care at home business. More than 50% of the floorspace has already been taken.
- 4.5 In addition to the current tenants another 20 young people are currently working with Launch-It on business plans and proposals and an additional 30 have expressed an interest in the initiative. Services are primarily being delivered by TEAMS or Zoom due to the current restrictions.

4.6 A formal opening of Start-Up Street will take place when restrictions are lifted, and guests can visit the premises.

5. Start-Up Street Renfrew and Start-Up Street Johnstone

- 5.1 The Start-Up Street proposal was very well received at the previous Leadership Board and members were keen to look at expanding the model into both Renfrew and Johnstone.
- 5.2 Over the last 6 months the Economic Development Team have been looking at options for suitable premises for these developments within the two areas. Due to the considerable interest in Start-Up Street Paisley in a very short space of time the team are confident that there is scope for 2 additional developments although the actual model may change slightly to allow a wider group of entrepreneurs to benefit and so as not to have different centres compete with each other for businesses.
- 5.3 Council premises have been identified in Dunlop Crescent, Renfrew and preliminary works have commenced there to establish suitability and to plan for a new Start-Up St proposal. The costs of refurbishment can be met from existing Economic Development and Regeneration budgets including Scottish Government Town Centre grant funding.
- 5.4 There was a lack of appropriate vacant Council premises in Johnstone Town Centre, however a partnership approach is now being developed with Active Communities to repurpose the large external garage buildings to the rear of the Police Station to provide four stand-alone and 24hr accessible business spaces for start-ups. Members will be aware that the refurbishment of the former Police Station was also supported by Scot Govt regeneration funding in recent years.
- Work is ongoing at present to look at a particular focus for each proposal. Start-Up St Paisley has a focus on young people, others for consideration include Women into Business, Social Enterprise Development and Health and Wellbeing business creation.
- 5.6 Final proposals will meet local (Renfrewshire wide) demand and will complement the range of business start-up services already available. The plan is to create a network of innovative and supportive start-up spaces and services that add value, benefit, and offer sustainability to new and early stage businesses.
- 5.7 It is aimed that both new Start-Up Street facilities will be up and running by the end of 2021 and further reports will be brought back to board on progress,

Implications of the Report

1. Financial

No additional finance is sought for this proposal. Resources from the existing Business Start Up budgets (Invest in Renfrewshire / Business Gateway), Town Centre regeneration funding and Active Communities budget would bring the properties to the required standard and would ensure that the business support was available. The rental from the companies would support the ongoing running costs.

2. **HR and Organisational Development** – no immediate implications although options for additional staff to provide new services is currently being discussed.

3. **Community Planning**

- Our Renfrewshire is thriving The proposal would support additional business start-up growth and sustainment in Renfrewshire and would be an additional local service.
- Our Renfrewshire is well The delivery of new opportunities has the potential to positively impact on physical, emotional, and mental health and wellbeing.
- Reshaping our place, our economy, and our future The approaches outlined in the report will contribute to supporting growth, the development of skills and experiences and sustainable jobs while improving the physical infrastructure of vacant and derelict buildings.
- 4. **Legal -** Any formal partnership with Active Communities or other parties would be subject to legal documentation.
- 5. **Property/Assets -** The proposal would involve Council owned former commercial units in Renfrew which would be refurbished and brought to a modern standard as part of the proposal. The lease is initially sought for 3 years.
- 6. **Information Technology -** Support from IT would be required to ensure that adequate resources and networking were available to the businesses

7. Equality & Human Rights

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because for example it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

- 8. **Health & Safety None**
- 9. Procurement none
- 10. **Risk**

The projects actively monitor key risks and issues associated with delivery in accordance with the Council's Project Management Framework. Risks are identified and mitigating actions and allowances have been made and will be continually monitored.

- 11. **Privacy Impact -** None
- 12. **COSLA Policy Position None**
- 13. Climate Risk None...

List of Background Papers

Leadership Board report 5th December 2018 "Invest in Renfrewshire Proposal: Start-Up Street"

Leadership Board report 19th June 2019 "Town Centre Capital Fund" approving funding for Active Communities Johnstone Police Station Redevelopment and initial Start-Up Street investment.

Leadership Board report Dec 2 2020 "Extension to the Scottish Government Town Centre Fund " outlining support to Start-Up Street at Dunlop Crescent

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