

Committee: **Regeneration Scrutiny Committee**

Date of meeting: **3rd November 2021**

Report Subject: **Hybrid Units and Hwb Bocs– Performance Monitoring**

Portfolio Holder: **Cllr D Davies, Executive Member Regeneration and Economic Development**

Report Submitted by: **Owen Ashton, Service Manager Business & Regeneration**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
19.10.21	21.10.21				03.11.21			

1. Purpose of the Report

- 1.1 The purpose of this report is to provide Members with a Performance Monitoring update on the Hybrid Units and the Hwb Bocs developments at the Works Site, Ebbw Vale.

2. Scope and Background

Background - Hybrid Units

- 2.1 As part of the development of the Works site, Ebbw Vale, the Council has sought to provide an attractive range of business units to cater for demand within the County Borough itself and the wider south east Wales region. Within this context, a need was identified for a range of higher quality premises to appeal to a wider range of businesses.
- 2.2 To deliver this, the Council entered into a Joint Venture with the Welsh Government to develop Hybrid Units at Lime Avenue, creating high quality business space, comprising 3 separate buildings housing 9 units.
- 2.3 The funding secured includes contributions from the Council itself, the Welsh European Funding Office (WEFO) and the Welsh Government (WG) and is split as follows:
- Blaenau Gwent County Borough Council - £850,000
WEFO- £2,580,000
Welsh Government - £3,150,000
- 2.4 The revenue generation split follows the investment; BG have a small return from the Joint Venture, the majority of the monthly rental goes to WG.

Current Position – Hybrid Units

- 2.5 The Council has taken possession of the Hybrid Units and has been working closely with the Welsh Government to market the site. Thales have taken occupation of two buildings and the Council is nearing completion on a further lease for a business requiring space in the remaining building. In total there are now 16 Thales positions working from Regain and the hybrids and this is set to rise, with another 10 jobs associated with the additional lease. This is an exciting development for Blaenau Gwent, continuing the regeneration of the strategic Works site and provides an excellent opportunity for business to establish, grow and develop within the area creating employment and helping to support local supply chains.

Background – Hwb Bocs

- 2.6 Like the Hybrid Units, the development of the Hwb Bocs forms an exciting part of the regeneration of the Works site with the aim of providing a range of premises for businesses and entrepreneurs. The project has taken inspiration from other similar developments elsewhere, with a focus on providing attractive premises, complemented by on site-business support from the Council's Regeneration staff and access to a range of other sources of support and inspiration. The Hwb Bocs will be formally launched with our business partners during Entrepreneurship week.
- 2.7 The project was delivered in partnership with Welsh Government and has transformed shipping containers into 21 separate office spaces alongside communal facilities and is located adjacent to the Coleg Gwent building.
- 2.8 The funding secured for the project comprises contributions from the Council itself and the Welsh Government (WG) and is split as follows:

Blaenau Gwent - £780,000
Welsh Government £490,000

Current Position

- 2.9 Like the Hybrid Units, the Council has taken possession of the Hwb Bocs units and is currently in the process undertaking the final internal fit-out works. Given the nature of the Units, the Council is working closely to identify suitable tech-based businesses and entrepreneurs as part of its marketing programme with significant interest being expressed.
- 2.10 Like the Hybrid Units, the project is an exciting development for Blaenau Gwent and provides a striking venue for a range of tech businesses and entrepreneurs to be based at the Works site. As well as working with the business community, the Council is also working with the College to encourage potential spin out projects to be based at its doorstep, providing an attractive proposition for students to test out business ideas.

3. Options for Recommendation

- 3.1 Option 1 – Members to accept the content of the report.

3.2 Option 2 – Members to not accept the content of the report

4. **Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 This project supports the achievement of the Council's Corporate Plan 2020-22 Outcome Statements:

- Protect and enhance our environment and infrastructure to benefit our communities
- Support a fairer sustainable economy and community

4.2 The Council's Well-being Plan for 2018-23 includes 5 Objectives. This project directly supports the objectives of creating 'safe and friendly communities' and 'forge new pathways to prosperity'.

5. **Implications Against Each Option**

5.1 ***Impact on Budget***

The Council has secured funding from a range of sources for each of the projects.

5.2 The premises will form part of the Council's industrial portfolio and their ongoing maintenance and management has been factored into and will be covered through a mixture of requirements placed on tenants (for example via FRI leases) and income generated from the rentals.

5.3 ***Risk***

Officers will continue to work with Welsh Government on promoting both projects for potential tenants. As has been highlighted, there has been significant interest from businesses for both the Hybrid Units and the Hwb Bocs Units with the former almost fully let to suitable businesses already.

5.4 ***Legal***

Appropriate legal agreements have and will be entered into with each tenant and officers in Regeneration will continue to work closely with colleagues in Welsh Government.

5.5 ***Human Resources***

Staff within the Regeneration and Estates will continue work collaboratively with WG to promote the projects.

6. **Supporting Evidence**

6.1 **Performance Information and Data**

The projects have been based on a robust analysis of data and information which has established a demand for the projects.

6.2 Expected outcome for the public

The project provides an excellent opportunity for existing and new businesses within Blaenau Gwent to establish and grow on the Works Site and support local employment and training.

6.3 Involvement (consultation, engagement, participation)

The project continues the regeneration at the Works site forming part of the Works Masterplan on a collaborative delivery model.

6.4 Thinking for the Long term (forward planning)

The projects have increased the range of premises available to local businesses and entrepreneurs and enhanced the pathway for growth in the area.

6.5 Preventative focus

The project will ensure that a range of new premises are created for businesses and entrepreneurs in Blaenau Gwent and help support the conditions for sustainable economic growth.

6.6 Collaboration / partnership working

The project can be seen as another excellent example of collaborative and partnership working between BGCBC, WEFO, Welsh Government and the private sector in delivering high quality premises that supports the regeneration of the county borough.

6.7 Integration (across service areas)

Consultation has been undertaken across Planning and Regeneration and the design, development and contract management work has been completed by Technical Services.

6.8 Decarbonisation & Reducing Carbon Emissions

The projects have been developed with an emphasis on reducing energy consumption and the need for by car. Both projects are located near to the Ebbw Vale train station, are accessible from the town centre, are on Active Travel routes and have bike storage facilities as well as EV charging points.

6.9 Socio Economic Duty Impact Assessment

The projects contribute to and support the Council's Socio Economic Duty, by providing local employment opportunities for residents and opportunities for businesses and enterprises to establish and grow within the area.

6.10 EqIA (screening and identifying if full impact assessment is needed)

An Equalities Impact Assessment screening is currently being undertaken.

7. **Monitoring Arrangements**

To be confirmed.

8. **Background Documents / Electronic Links**