

Executive Appendix 1

Committee

16th June 2010

DESCRIPTION OF BUSINESS CENTRES AND SERVICES OFFERED

The three business centres provide a mix of accommodation to meet the needs of a variety of small businesses.

The Greenlands Business Centre, Studley Road

The building houses 35 unfurnished office units ranging in size from 108 sqft to 600 sqft (with some units interconnecting to create larger office space). Licensees include charities, IT consultants, mediators and recruitment companies.

The Rubicon Business Centre, Broad Ground Road, Lakeside Industrial Estate

The building houses 18 unfurnished office units (150 to 300 sqft) and 23 workshops (280 to 590 sq ft) for commercial enterprises and for light industrial use. Licensees include a carpenter, locksmith, calibration services, disability products supplier, design and printer and office equipment supplier.

Greenlands and Rubicon Services include: manned reception, telephone answering and secretarial services. There is also a conference room and other meeting rooms available to licensees and external companies to hire.

The Heming Road Enterprise Centre

The building has been divided into 31 units of 290 sqft or 428 sqft for warehouse, industrial or engineering use. Licensees include audio equipment manufacturers, grinding and tool making businesses. There is a shared roller door and side door access. There are no reception services but secretarial support is available from Greenlands or Rubicon.

All three centres have on-site parking, 24 hour access and a caretaking service.

License fees and terms

Occupiers hold a license which can be terminated with 14 days notice. The flexibility allowed by the 'easy in – easy out' terms is attractive, particularly to new and growing businesses that may be hesitant about committing to long leases while their business is at a vulnerable stage. New businesses can move in quickly and inexpensively. Licensees can also move to larger or smaller units – or leave – without penalties or legal costs. The majority of similar business centres across the region have 14 or 28 day notice periods.

Fees are charged at market rates, they are not subsidised or discounted. License fees include: rent, VAT, water rates, communal lighting and heating. Licenses and fees are reviewed annually for all occupiers. Reception services, postal services, postal address services, secretarial support, telephone switchboard, dedicated answering services and meeting room hire are subject to extra charges.

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Businesses are responsible for business rates, telephone bills, electricity within their own unit, furnishing their unit, and licensees must have public liability insurance.

A three month rent-free period may be offered with new lettings at the discretion of the Business Centres Manager. The policy is intended to effectively reduce a licensee's initial costs to help them afford necessary furniture or equipment. Rent-free periods are also useful negotiating tools when securing new business. Existing licensees can apply for a three month rent-free period when renting additional space or moving to a larger unit within the centre as these reallocations are viewed as new lettings. This offer is monitored carefully to prevent abuse of the system, but can help growing businesses trial an expansion without over-committing themselves.

The different size units allow licensees to move between units within the centres – subject to availability – as their business expands or contracts.

A maximum of three units are permitted per company. This mitigates the risk of several units being simultaneously unoccupied and the associated break in income if that business were to leave the centre.

Staffing Resources

The centres employ 1 full-time and 6 part-time staff.