

**REPORT OF THE CHIEF EXECUTIVE**

**BUSINESS CENTRES OVERVIEW – PROGRESS REPORT**

**1. Purpose of the Report**

- 1.1 To provide an update on e-Volve Business Centre, Sunderland Software Centre and Washington Business Centre.

**2. Background**

- 2.1 In setting its work programme at the beginning of the year, the Committee requested a progress report on the work of the Council's Business Centres. This report sets out the current position as well as providing examples of companies located within each centre.
- 2.2 A key element of the Council's approach to facilitating business development and economic growth in key sectors such as software & technology and manufacturing support comes from the provision of high quality physical infrastructure via business incubation and grow on facilities. During recent years, the city has continued to build upon its work developing physical infrastructure to support companies in this way.
- 2.3 The development of state of the art facilities began with the opening of e-Volve Business Centre at Rainton Bridge in 2006. This was followed by the opening of Sunderland Software Centre in 2012, and Washington Business Centre in 2014.

**3. Current Position**

*e-Volve Business Centre*

- 3.1 The e-Volve Business Centre is a state of the art e-commerce centre designed specifically to meet the needs of the area's technology focused companies. Based at Rainton Bridge South, the centre is intended as a developing hub for knowledge based information and communication technology businesses. The centre offers incubator spaces for small, ambitious businesses, as well as large bases for established multi-nationals. This mix encourages a great collaborative environment.
- 3.2 The centre's adaptability has attracted a number of SMEs since opening in 2006. Many have moved from small offices to bigger suites to accommodate growing teams.

- 3.3 The building provides high quality office space spread over three floors and is globally connected with the highest possible standard of broadband telecommunications infrastructure. Businesses also have access to fully equipped meeting, training and conference facilities as well as a prestigious boardroom. Business support, information and advice are available from the Council's Business Investment Team. e-Volve also acts as a hub for the whole of the business park which is home to a number of hi-tech businesses.
- 3.4 e-Volve has been open for ten years and currently has an occupancy rate of 100%. There are 43 businesses holding office space in the building though there are a number of other companies who use it as a virtual business centre. These are agile businesses that have no need for a physical permanent base. Companies within the centre collectively employ over 240 staff.

#### *Sunderland Software Centre*

- 3.5 The Sunderland Software Centre is a £12m state of the art building on the edge of the city centre. The three-storey centre offers space for more than 60 businesses and is purpose built for businesses in the technology field. Metres of modern, white space offer the most flexible offices possible. In addition to its facilities as a business base, the centre has a choice of bespoke conference, meeting and innovation rooms that can cater for a range of events, as well as providing the required technology and connectivity.
- 3.6 With regional support hub Sunderland Software City on hand to help and encourage the sector, businesses here are part of a community, sharing ideas, best practice and the ambition to create the technology of tomorrow, today. Sunderland Software City also manages one of four local Digital Catapult Centres within the UK on behalf of the two Local Enterprise Partnerships in the North east which is based in Sunderland in the Software Centre. This focuses on data and emerging technologies, and how SMEs can support larger companies across a wide range of sectors with innovative technology-based solutions to solve challenges they face within their businesses.
- 3.7 At the present time, the Centre has a 61% occupancy (including Sunderland Live, the Software City project management team and the Council's Business Investment Team who are also located in the centre), with 23 private sector companies collectively employing over 250 people. While the Centre is a long term development, it is hoped to replicate the success of e-Volve in the coming years through increasing occupancy levels and the number of businesses and employees located at the Centre. The next step will be to attract larger SMEs to locate at the Centre alongside the existing smaller firms.

### *Washington Business Centre*

- 3.8 Washington Business Centre is a £6m investment funded by the Working Neighbourhood Fund, (WNF), and European Regional Development Fund, (ERDF). Opened in 2014, it offers a mixture of managed offices, workshops and hybrid spaces, with 5,200sq metres of lettable floor space to suit new and expanding businesses as part of the city's low carbon economy.
- 3.9 At the present time, the Centre has a 63% occupancy rate with 13 companies collectively employing over 80 people.
- 3.10 Appendix 1 provides an overview of a range of companies using the centres.
- 3.11 Catherine Auld (International Manager) will be in attendance to introduce the report and answer any queries. Arrangements have also been made for short tour of the Sunderland Software Centre before the start of the main meeting for those members interested in attending.

## **4 Conclusion**

- 4.1 The development of the business centres has been a significant driver in attracting new businesses from the Council's Economic Masterplan priority sectors (Software, Manufacturing, Low Carbon), and providing bespoke accommodation and support to help them establish themselves, thrive and grow. These centres have and will effectively continue to contribute to the achievement of the council's business investment and economic development objectives.

## **5. Recommendations**

- 5.1 The Scrutiny Committee is asked to consider and comment on the contents of the report, including noting the examples of companies located within each centre provided in Appendix 1.

## **6. Glossary**

None

## **7. Background Papers**

Sunderland Economic Masterplan