Review of Rotherham Investment and Development Office (RiDO) Business Centres

Improving Places Select Commission

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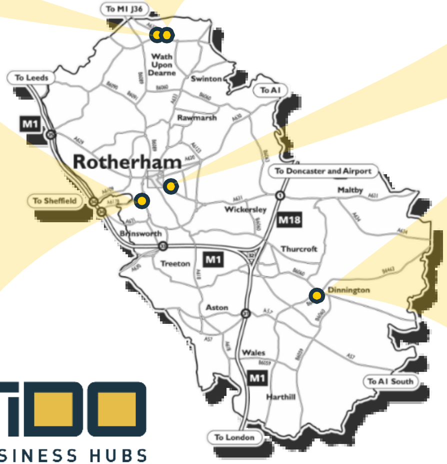
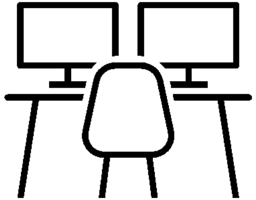
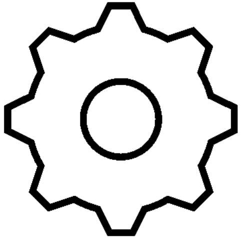


RiDO BUSINESS HUBS

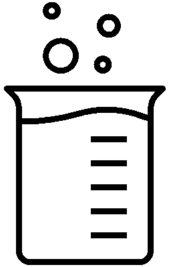
Overview - Spaces for business across 5 centres



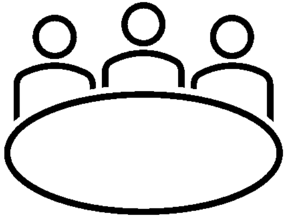
156
offices



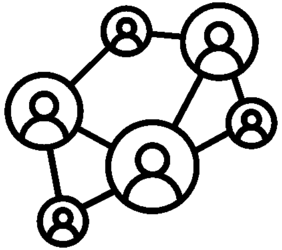
84
workshops



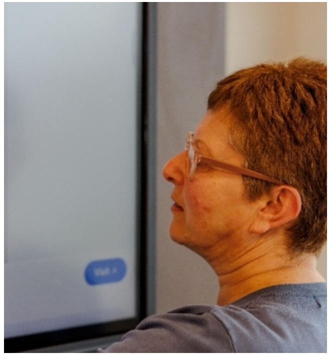
2 flexible
lab spaces



11 meeting
rooms



1 start-up
coworking space



Overview - Supportive places for business

1-month easy-in easy-out licence agreements

Develop and test ideas with minimum risk

Flex size up or down to meet business needs

A community of small businesses with a similar mindset

Virtual offices offer a stepping stone for local businesses

Instant access to cloud voice services and fast broadband without contracts

Experienced, supportive centre coordinators

High-quality premises reinforces occupant brand image

Direct access to RiDO’s innovative business support

Economic Impact

- 5 purpose-built incubation centres
- 180+ business occupiers, supporting 850 jobs
- 50 virtual offices for local businesses
- Every business connected with RiDO business support, with 50+ workshops held annually
- 40 to 50 businesses move in and out annually
- 1000+ businesses supported over 25 years
- Monthly newsletter to occupants, ex-occupants and partners promotes business support services

Development timeframe

- Century Business Centre (2000)
- Moorgate Crofts Business Centre (2006)
- Fusion@Magna Business Centre (2008)
- Matrix@Dinnington Business Centre (2009)
- Century 2 Business Centre (Nov 2023)

Economic Impact - Launchpad 4

Apr 25 - Mar 26

The Rotherham Launchpad team assist entrepreneurs, early-stage and micro businesses, from idea stage through to business growth. The innovative support is based on business modelling techniques and delivered through one-to-one sessions and a comprehensive range of expert workshops, embedded in RiDO's Business Centres to benefit the whole of Rotherham.

Small start up grants provide a welcome boost in those key early months and increase client engagement in advisory services.

£265k
UK Shared Prosperity Fund (UKSPF)

2 advisors + 1 project officer

498 enquiries supported

+38% increase since 2023

55 workshops

437 attendees

£50k total grants for **54** new businesses

41 Businesses created

41 Jobs created

Business Centres Occupancy

Jun 26: 81%
10yr average: 88%

Jun 26: 79%
10yr average: 74%

Jun 26: 81%
10yr average: 89%

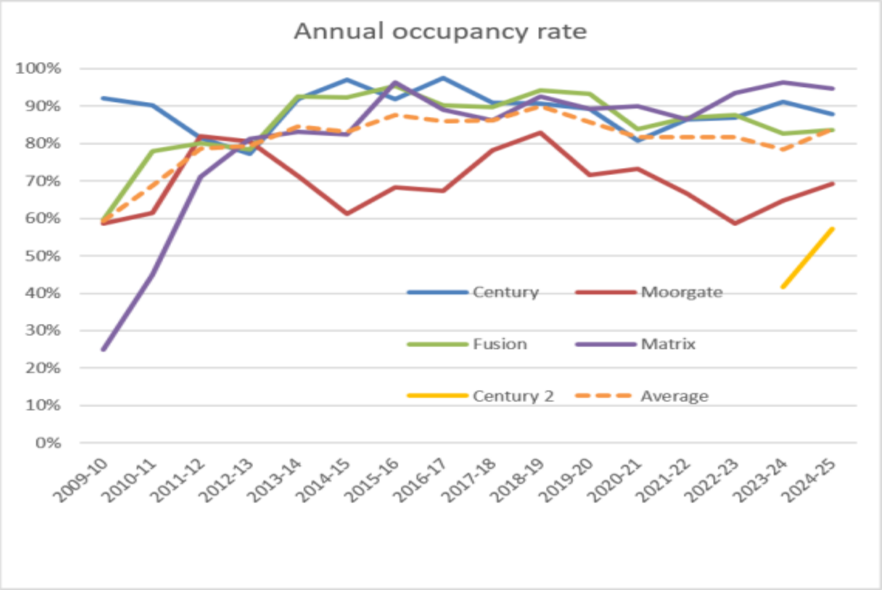
Jun 26: 91%
10yr average: 88%

Jun 26: 85%
Opened Nov 2023

Target 85% enables turnover of new businesses

Occupancy

Average from 2012:	89.19%	70.30%	88.51%	89.35%		83.82%
Yearly	Century	Moorgate	Fusion	Matrix	Century 2	Average
2009-10	92.01%	58.71%	59.60%	24.90%		59.43%
2010-11	90.16%	61.54%	77.91%	44.99%		68.79%
2011-12	81.47%	82.07%	80.04%	71.12%		78.74%
2012-13	77.15%	80.62%	78.50%	81.33%		79.39%
2013-14	91.96%	71.37%	92.48%	83.25%		84.58%
2014-15	97.07%	61.32%	92.24%	82.40%		83.07%
2015-16	91.81%	68.33%	95.45%	96.38%		87.67%
2016-17	97.40%	67.29%	90.11%	89.04%		85.86%
2017-18	90.81%	78.27%	89.64%	86.29%		86.17%
2018-19	90.70%	82.85%	94.20%	92.63%		89.95%
2019-20	89.38%	71.60%	93.17%	89.32%		85.71%
2020-21	80.67%	73.14%	83.91%	89.92%		81.76%
2021-22	86.35%	66.68%	86.82%	86.51%		81.61%
2022-23	86.95%	58.53%	87.71%	93.61%		81.70%
2023-24	91.24%	64.77%	82.70%	96.23%	41.56%	78.36%
2024-25	87.97%	69.12%	83.71%	94.60%	57.26%	83.85%



Financial Performance (25-26)

£273k rent revenue

£190k rent revenue

£220k rent revenue

£264k rent revenue

£195k rent revenue

Space rental: £1,153k
Data and telephony: £92k
Meeting space: £18k
Virtual offices: £25k (49 businesses)
Electric recharges: £100k
Services: £14k
Total revenue: £1,403k
Costs: £1,228k
Revenue surplus £175k + £30k UKSPF

Utilisation of Services

Reception staff

Hosted telephony, high-spec handsets & mobile apps

Enterprise class broadband and data networks

Kitchen facilities

Each unit individually alarmed

Onsite business support

24 hour secure access

Cleaning of all communal areas

Mail and deliveries taken on behalf of clients

Building and grounds maintenance

CCTV

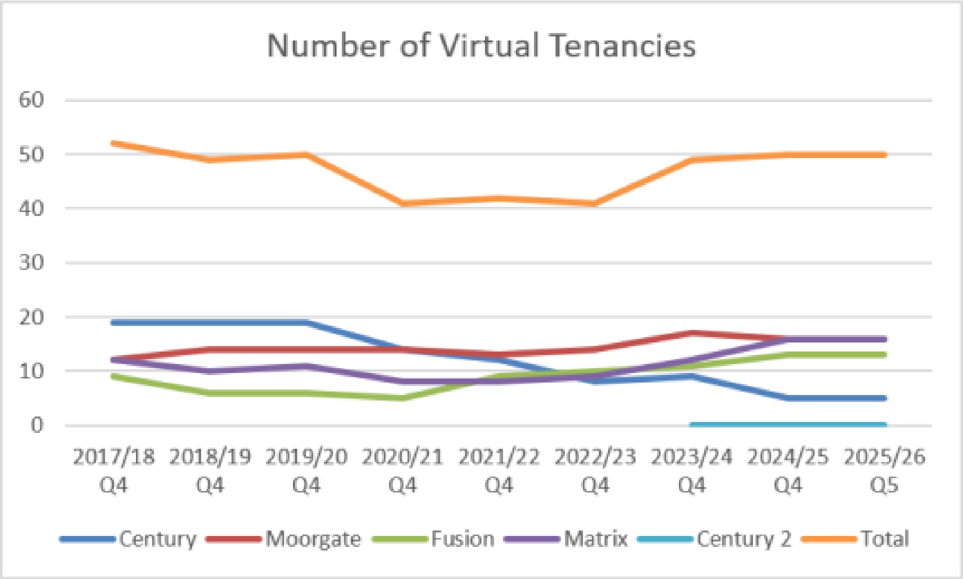
Buildings insurance

On-site parking facilities

Copy, print, bind, laminate

Discounted meeting rooms by the hour

Refuse disposal



Market Competitiveness

- RMBC Business Centres are competitively priced within the South Yorkshire market, offering flexible workspace at rates below many premium serviced office providers whilst maintaining strong occupancy levels.

Provider	Office Rate (£/sq. ft)*
Doncaster Business Centre	£12.00
Bradmarsh Business Park (Rotherham)	£13.56
RMBC Discount Offices (Moorgate)	**£15.15**
Pennine Five, Sheffield	£18.60
RMBC Average	**£19.89**
Sheffield Olympic Legacy Park	£21.00
Paternoster Row, Sheffield	£26.40
Eyre Street, Sheffield	£27.60

* Information via desk based research July 2026

Building Condition & Ongoing Compliance

- The first Business centre, Century Business Park, was built in 2000 and requires investment for maintenance issues.
  - New roof £927k
  - Restroom(s) refurbishments £270k
- Annual inspection and compliance

Check	Frequency
Fire Risk Assessment Review	Annual / when changes occur
Fire Alarm Service	6 monthly
Emergency Lighting Full Test	Annual
Gas Safety Inspection	Annual
Lift Thorough Examination	6–12 monthly
Legionella Review	Annual
HVAC/Boiler Service	Annual (or manufacturer schedule)
PAT Testing	Risk based (often annual)
EICR Fixed Wiring	Typically every 5 years
TM44 Air Conditioning Inspection	Every 5 years

Construction

Century Business Centre (2000)

Moorgate Crofts Business Centre (2006)

Fusion@Magna Business Centre (2008)

Matrix@Dinnington Business Centre (2009)

Century 2 Business Centre (Nov 2023)

Marketing, Promotion & Growth Opportunities

Current Position

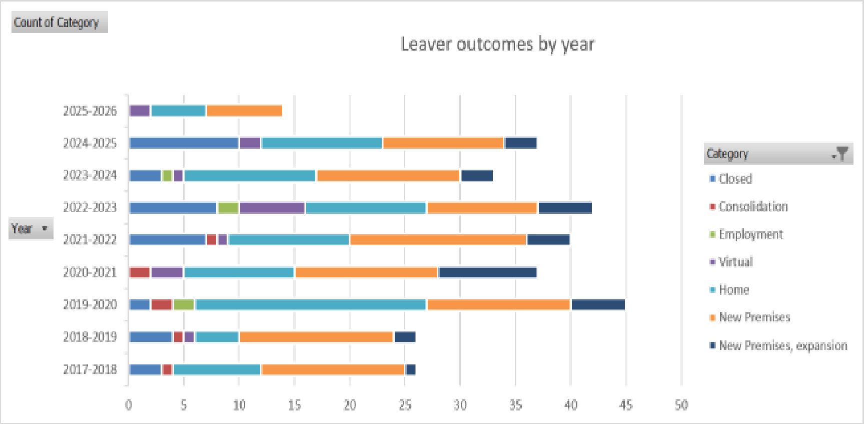
- Strong occupancy has been maintained through the commitment of Business Centre staff, despite no dedicated Business Centre marketing resource.
- Marketing activity is delivered alongside operational responsibilities, supported where possible by Corporate Communications.
- Corporate Communications provide valuable support but have a broad range of Council priorities, limiting capacity for sustained commercial marketing activity.
- Having the current website operating separately from RiDO provides flexibility and allows for a dedicated focus; however, improvements to the main RiDO website and stronger cross-referrals are essential to ensure a seamless customer journey and to drive more enquiries to the Business Centres website

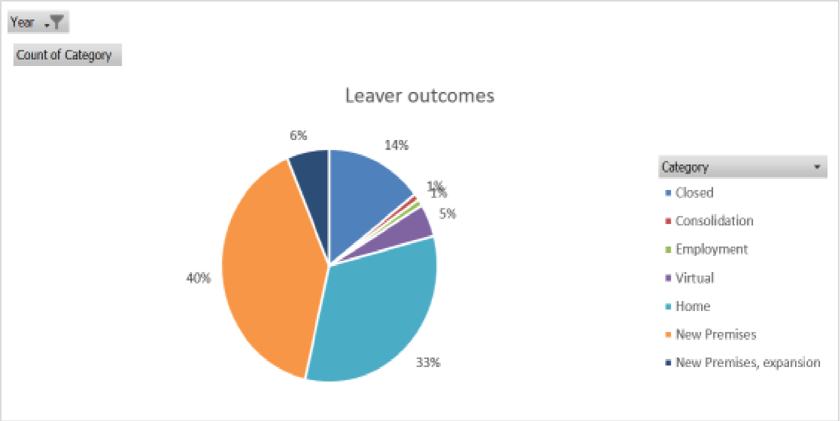
Opportunity for Improvement

- Develop a dedicated Business Centre marketing function and commercial marketing strategy.
- Increase digital marketing, content creation, case studies, social media activity and lead generation campaigns.
- Strengthen brand awareness and competitiveness against increasingly well-marketed workspace providers.
- Provide additional resource to manage the customer journey for Business Centre tenants and Launchpad clients beyond three years of trading, ensuring seamless integration into the wider RiDO business support offer, as current Launchpad and Business Centre staff have limited capacity to undertake ongoing business engagement and referral activity.

Tenant Satisfaction / Reasons for leaving

- While an annual tenant satisfaction survey is not currently undertaken, valuable feedback is gathered through exit interviews, which help identify reasons for tenants leaving and opportunities for improvement.
- In addition, regular one-to-one business growth discussions are held with tenants to better understand their evolving accommodation requirements and support their future development.





SWOT Analysis – Future Direction of RMBC Business Centres

STRENGTHS	WEAKNESSES
• Strong occupancy levels across the business centre portfolio. • Established reputation and long-standing tenant relationships. • Diverse accommodation offer including offices, workshops, laboratories and meeting facilities. • Launchpad provides a proven accommodation ladder for growing businesses. • Dedicated and experienced team with strong local business knowledge. • Links to wider RiDO business growth and support services. • Council-owned assets generating income whilst supporting economic growth. • Flexible tenancy options supporting start-ups, SMEs and growing businesses. • Existing tenant community provides networking and peer-support opportunities. • Business Centres remain fit for purpose, continue to attract demand and are well-known within the local business community.	• No dedicated Business Centres marketing resource. • Lack of a formal commercial marketing strategy and annual campaign plan. • RiDO website and branding are not fully integrated with the wider Business Centres offer. • Very lean staffing structure across Business Centres and Markets. • Limited capacity for proactive business development and lead generation. • Reliance on operational staff undertaking marketing activities in addition to core duties. • Ageing assets will require ongoing maintenance and future investment. • Annual tenant survey has paused since Covid this needs to be reinstated and/or exit interviews take place where possible. • Lack of free / available parking (Moorgate Crofts) suppresses occupancy. • The centres operate within Council governance, procurement and financial frameworks, which provide important controls but may limit flexibility compared with some private sector competitors.

SWOT Analysis – Future Direction of RMBC Business Centres

OPPORTUNITIES	THREATS / CHALLENGES
• Opportunity to explore an additional Business Centre at Rotherham Gateway. • Dedicated marketing resource could increase awareness, enquiries and occupancy. • Maximising the CRM system could improve reporting, lead management and performance monitoring. • Increased utilisation (through marketing / promotion) of meeting rooms and conference facilities to generate additional income. • Further promotion of tenant success stories and case studies to support business attraction and retention. • Feedback from tenants through exit interviews / annual surveys could help improve the service.	• Future funding uncertainty for business support and economic development activity. • Growing competition from private-sector serviced office and flexible workspace providers. • Pay Ahead requirements may create barriers for some start-ups and early-stage businesses. • Rising maintenance, utilities and operating costs. • Hybrid working trends continue to influence workspace demand. • Increasing customer expectations around building quality, digital services and flexibility. • Limited staffing capacity may restrict future growth opportunities. • Failure to invest in promotion and marketing could reduce visibility and competitiveness. • Increased use of Business Centre accommodation by Council services could dilute the commercial identity of the centres and reduce their attractiveness to private-sector businesses seeking a dedicated business environment