



Tiverton Work Hub

Expressions of Interest

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Expressions of Interest

Mid Devon District Council is seeking an experienced operator to manage a new work hub in Tiverton. The operator will be required to support the Council's objectives to expand the provision of flexible workspace across the district, supporting business formation and enabling existing businesses to continue to grow, collaborate and diversify for their continued success.

The Council identified a council-owned building in the heart of Tiverton town centre that will be converted for this purpose. The Council has obtained planning permission and will undertake the refurbishment work to create a modern, attractive and welcoming work hub. An architect has developed the design for the building, based upon advice from a well-respected and established work hub provider with expertise in understanding the market and what potential users require. A main contractor has been procured and works are due to commence at the beginning of December and complete in February 2025. Grant funding has been secured from the UK Shared Prosperity Fund grant programme.

The operator will be required to take on a lease for the building and provide furniture, fixtures and equipment (FF&E) for the building.

Expressions are now being sought from interested workspace operators who would like to work with the Council on this exciting opportunity.



Background

The Council appointed an experienced work hub operator to undertake a feasibility study for the provision of a work hub in Tiverton, this demonstrated a strong demand for this use.

Demand for work hubs is growing in the UK which is led by two main changes:

- Growth in the number of people working for themselves and often doing so from home.
- Many large employers reducing their exposure to office costs and allowing their staff to work from home more frequently.

This trend has been accelerated since covid. People are now opting to use flexible workspace where they pay a membership and can use an office when needed, rather than hiring out or leasing desk space.

Work hubs provide the following benefits to its users:

- A daily alternative to social isolation when working from home
- A professional place to meet clients
- A professional business address
- Facilitates face to face collaboration
- Access to shared high-end equipment and broadband.



Facts & Figures

A recent feasibility study (commissioned by the Council) identified demand for a quality flexible workspace in Tiverton's town centre to support sole and micro businesses and home-workers.



91.4% of businesses in the District sit within the micro sector of under 10 staff, reflecting the small-scale independent offer and growing businesses.



There are already established partnership links with the local FE college (Petroc) and the local business community such as the Tiverton Town Centre Partnership.



In the census 2021, 29.7% of residents aged 16 years and over in employment, the week before the census, worked mainly from home.



The development of flexible business workspace is a priority for Mid Devon District Council in its Corporate Plan 2024 - 2029.



There are approximately 4,500 registered PAYE businesses within the District and 13.9% are self-employed.



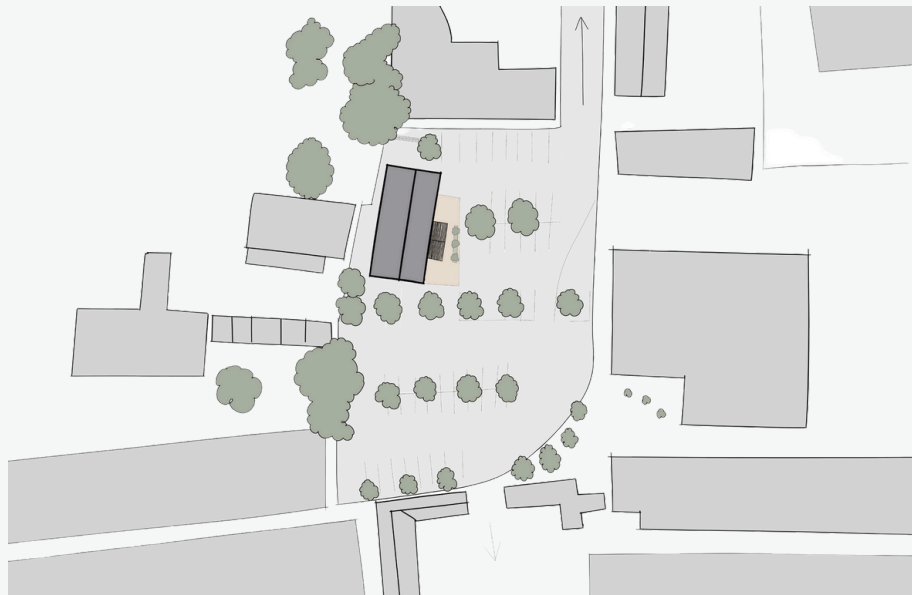
Transport links are well connected to serve this facility in addition to town centre car-parking. Onsite bike-storage including e-bike charging is provided.

Tiverton bus station is located in the town centre with regular services to/from Tiverton Parkway (GWR London-Paddington line); a 24-minute ride away. Exeter airport is 30minutes away by car.

Site & Location

The Market Centre building is located within the Tiverton Conservation Area, known for its historical and architectural significance. The building sits north to the Pannier Market, within the Market Place car park.

Historically, the building served as a livestock calf shed linked to the cattle market, with the earliest images dating back to the 1960s. Originally, the building was a single brick structure with a corrugated metal roof.



In 1995, significant modifications were made, replacing the corrugated metal roof with a slate roof and adding timber boarding on the sides.

The building is currently a single-storey structure with a brick exterior, a pitched slate roof and a mix of timber and white UPVC windows.

The building was formerly used as a youth centre (1995-2018) and then as a community space. The building has been vacant since 2022.

The overall floor area of the building is 142m² GIA. There is also some outside space connected to the building, which comprises hard surfacing. Existing photographs of the building are included in Appendix 1.

The site is easily accessible with good footfall and nearby parking. The space is large enough to meet demand but not too large to feel underutilised.

Planning

Planning consent has been obtained for the Change of Use of the building from F2 community use to Eg(i) office including outside seating ref 24/00814/FULL, as well planning consent for alterations to the building (forming new window and door openings, erection of bike store and pergola and installation of boiler flue) ref 24/01252/FULL.



Design Proposals

Grainge Architects were appointed to design the scheme. They have considerable experience of designing similar office spaces as well as worked previously on the adjacent Pannier market.

The following design principles have been adopted:

- **Flexible** – The building must be flexible to accommodate different types of working. There must be open plan spaces as well as smaller offices that can be used for confidential discussions. The space should accommodate traditional desks, adjustable height desks as well as some wall workbenches with high chairs. The desks should be moveable to allow the space to be used for networking events.
- **Sustainable** – The building should incorporate sustainable features where possible.
- **Welcoming** – The building must be welcoming and inclusive to all users.
- **Value for money** – A defined budget is available for the project, which cannot be exceeded and therefore needs to be designed and constructed within this figure. The design consultant needs to be creative in adapting the building to create a professional and unique space.
- **Appearance** – The space needs to be slightly quirky and authentic to its setting, taking reference from the adjacent Tiverton Pannier market. Whilst the space needs to be professional and modern, a dull corporate space is not required. The building needs to be appealing and attractive to its users



Design Proposals

The Design Brief set out the client requirements for the project. This was prepared based on advice received from an experienced operator.

The space incorporates the following:

- A reception area – Sits behind the main entrance and accommodates a reception desk.
- A kitchen – A small open plan kitchen that accommodate a fridge, dishwasher, coffee machine and water cooler.
- Open-plan office space – Accommodates approx. 21 workspaces with desks clustered in banks and a high-level wall bench running along the window. The area also includes a breakout space that accommodates sofa and coffee table.
- Private studio offices – 3Nr studio offices that can accommodate 2/3 desks.
- Meeting booths, pods and meeting room – 2Nr meeting pods are provided that allow users to hold private telephone conversations, together with booth seating for team working and a small meeting room.
- Toilets – 2Nr accessible toilets.

- Services – The building will have new mechanical, electrical and plumbing services. This will include new power, data, lighting, CCTV, access control, fire and security alarms, earthing and bonding, heating, ventilation, hot and cold water services, sanitaryware and the installation of ultra-fast broadband.
- Outside space – A pergola that provides shade and external seating as well as a bike store with electric bike charging points. External paving and planters that separate the building from the adjacent public car park.

The architects produced a concept design that was publicly consulted upon and feedback was obtained from potential users. Detailed design has been completed and the works tendered. The public consultation boards and detailed design drawings are included in Appendices 2 and 3.

The Opportunity

The Council is seeking an experienced operator to manage a new work hub in Tiverton. The Council is investing £350,000 to refurbish the building and create the work hub. This funding has been secured from the government's UKSPF programme. Works started on site in December 2024 and are due for completion in March 2025.

Expressions of interest are being sought followed by a competitive dialogue process that informs a subsequent lease transaction for the commercial operation of the building. The Council is seeking a workspace operator to take a lease of the building, curate and manage the space to ensure maximum positive benefit to local businesses and the wider resident population. The operator will:

- provide affordable and flexible workspace for start-ups and small businesses that meet local business and growth needs.
- have a robust, commercially viable and sustainable business and financial model for the term of the lease that will stand up to scrutiny.
- demonstrate a strong track record in the delivery of similar projects and can outline their organisational capacity to take on the opportunity.
- have a strong financial position.
- commit to delivery of the project in an agreed timeframe.
- commit to providing access to the work hub 24/7.
- commit to the monitoring and evaluation of the workspace over the term of the lease.
- provide the loose fixtures and fittings, including desks, furniture, IT equipment, photocopier, white goods for kitchen, projector etc.
- play an active role in supporting the development of the wider business community through collaboration and engagement with the existing business network.

The Council's Objective

To provide affordable workspace for the community.



To provide ultra-fast broadband and other business equipment that can be shared by users.



Create a place to network and share knowledge.



To facilitate start-ups and the creation of new jobs.



Support the vitality of the high street.



To complete the facility by 31 March 2025 and utilise funding providing by the Shared Prosperity Fund.

Requirement

The Council is accessing UK Shared Prosperity Funding (UKSPF) to enable this space. The Council will refurbish and create the workspace. Whilst the operator will not be able to influence the configuration of the space, they will, through the introduction of FF&E, influence the look and feel of the space and introduce any branding.

The operator is expected to take a lease from the Council, with an initial rent-free period, then a profit share arrangement whilst the hub is establishing, followed by either a market level rent.

Applicants are invited to submit expressions of interest on the enclosed application form (Appendix 1) outlining their business plan (of no more than 20 A4 pages), addressing the eligibility criteria for a lease detailed in the application form.



Requirement

Expressions of interest are invited for a lease of the building on the following basis:

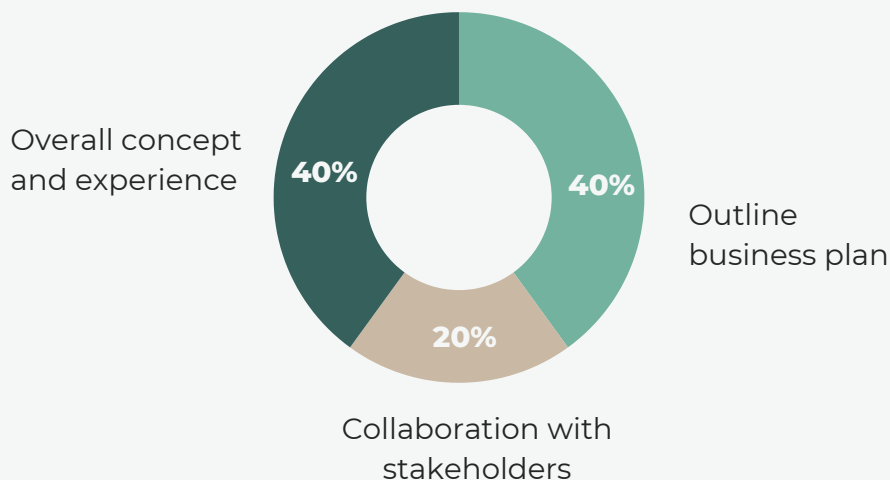
- Term: 5-year lease with rolling mutual break clause effective from year 3.
- Use: As offices for the purpose of providing flexible, affordable workspace.
- Rent-free: An initial rent-free period is offered, followed by period of a peppercorn rent with profit-share arrangement (up-to market-level rent).
- Market-level rent payable quarterly in advance.
- Rent review: At year 3.
- Repair: The lessee will be responsible for maintenance and repair of the property.
- Lessee's own costs: The successful applicant will be responsible for payment of utilities and services consumed including business rates and reimbursing the landlord for insuring the building.
- Fit out: The lessee will be responsible for payment of the FF&E.
- The lease will be contracted outside of the security of tenure provisions under the Land and Property Act 1954.
- Each party will be responsible for their own legal and professional fees regardless of whether the matter proceeds to completion or not.
- The lessee is expected to take occupation of the building by 1 April 2025 and have the hub operational within x months.

The Selection Process

First Stage

Applicants are required to complete an outline business plan (limited to no more than 20 A4 pages) and a series of selection questions as set out in Appendix 4. This will enable the Council to work towards selection of a shortlist of suitable candidates for the site. The expression of interest will be evaluated using the weightings shown below. The completed application form (Appendix 4) for expressions of interest which includes assessment criteria questions and submission of a business plan proposal must be received by the Council by no later than **12 noon on 31 January 2025**.

Weightings



Please return your completed application to **econdev@middevon.gov.uk**.

First stage confirmation of receipt will be sent for all applications received. The Council is not obliged to accept any or all expressions of interest. Any applications received after the prescribed closing time of 12noon on 31 January 2025 may not be accepted. Viewing days can be arranged for interested parties.

To arrange a site visit, please contact Claire Parker at cparker@middevon.gov.uk.

The following appendices are provided:

- Appendix 1 - Photographs of the existing building
- Appendix 2 - Public Consultation Boards
- Appendix 3 - Design drawings and specification
- Appendix 4 - Application Form

The Selection Process

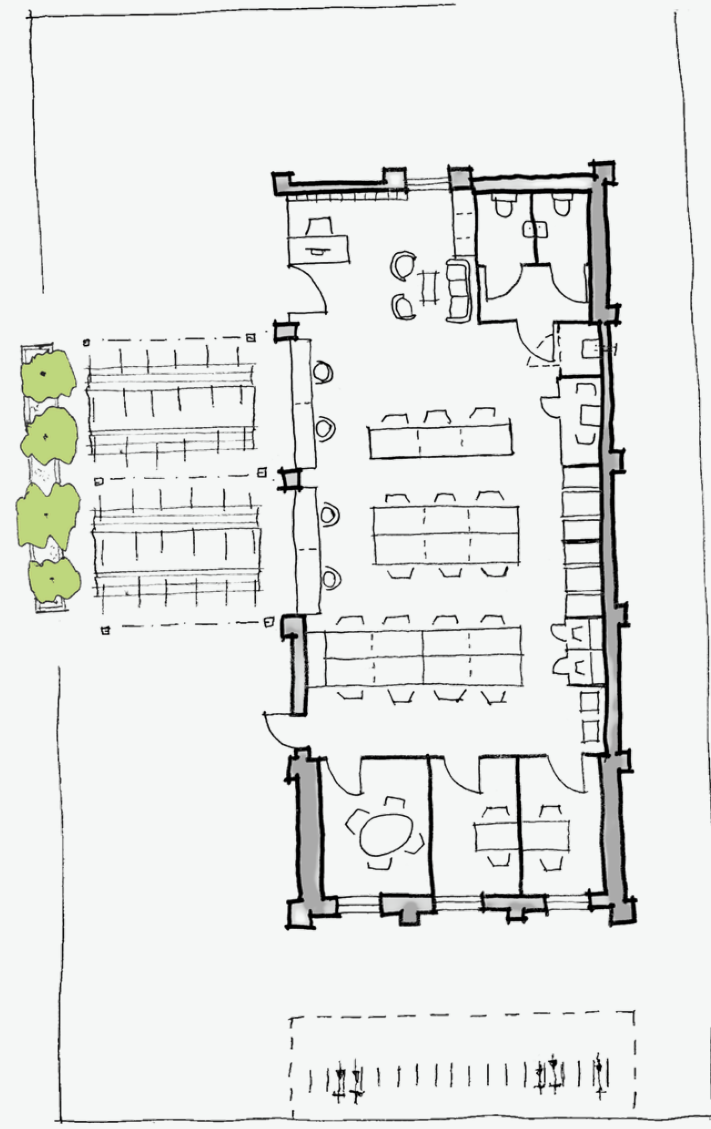
Second Stage

It is intended to establish a shortlist and invite shortlisted applicants for an interview between 17 and 18 February 2025 for the second part of the evaluation process. Interviews will be held online. Shortlisted applicants will be informed of interviews by 10 February 2025. Following the interview process a preferred bidder is anticipated to be identified by week commencing 21 February 2025.

The preferred bidder will be expected to work closely with the Council to:

- enter into detailed negotiations to finalise the lease terms and enter into the agreement for lease by the beginning of April 2025.
- aim to take possession of the site at the beginning of May 2025 and have the hub operational by the end of June 2025.

Applicants are advised that financial checks and other references may be undertaken as part of the evaluation of the expression of interest received. Further detailed references will be taken up on the selected applicant.



Timeline



Submission
deadline

12noon
31 Jan '25



Shortlisting

10 Feb '25



Interviews

17/18 Feb '25



Preferred
operator selected

21 Feb '25



Lease
negotiations

24 Feb -
21 Mar '25



Enter into a lease
agreement

4 Apr '25



Work hub
open

By 30 June '25