

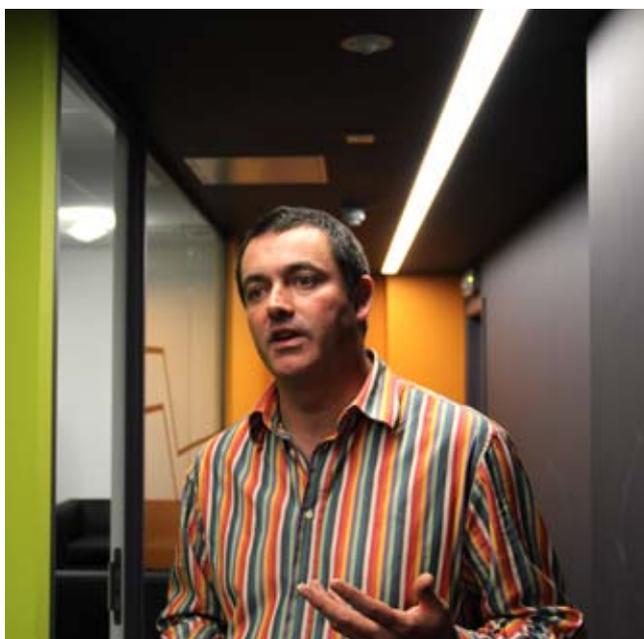
Electric Works, Sheffield

The Electric Works offers a mix of serviced offices and club facilities for home-based businesses at Sheffield's city centre 'digital campus'

The building

Electric Works opened in March 2009 – the first building completed on Sheffield's new digital campus. It offers 70 office spaces ranging from 219 to 4,270 square feet plus an open plan 'club' area. In total, it has 40,000 square feet of workspace.

The building was bought by the city council from developers GMI Scarborough. In turn the council has brought in specialist contractors Creative Space Management to be the managing agents.



Most space is let on an all-in basis (excluding IT support, business rates and telephony). But a quarter is set aside for larger companies renting on longer and less flexible licences. The all inclusive package of meeting rooms, visitor parking, IT and telephony are billed as optional extras.

What's special

Sheffield is still adjusting to the impact of a declining steel industry. But it is fast developing very different skills in technology, on a large scale. 'We see many small niche businesses here growing in partnership with other micros and using contractors – rather than larger employers,' says director Toby Hyam (above). 'The city has a much more diverse range of businesses, both large and small, high tech digital and advanced engineering.'

Kris Barry

www.six-ad.com

Kris Barry is director of an architectural practice he set up a year ago building on over a decade of experience gained at several larger practices in Yorkshire and the north-east. Kris works from home, but with the arrival of a third child his study became a nursery and his desk is now in the dining room. 'Six months ago we also took on an interior designer who works from home and its getting harder to coordinate our work,' Kris says. 'I'm still working primarily from home but come in here for the space and quiet.'

He uses as his base the large open plan club section, though ultimately he'd like an office at Electric Works. 'I try not to come every day because it's half an hour by tram either way but it's a great place to come to at night to plan the week ahead. And at weekends I can have this space to myself to do an eight or 10 hour day.' His wife, he adds with understatement, is very accommodating, so much so that she is now employed as the practice manager.

'There are a lot of companies listed here that, like us, don't occupy actual space but instead have a club membership,' he says. 'This is a creative environment and the companies that work here dare to be a little different and are early adopters of innovative technologies. We're still a small practice but we have a big practice approach to architecture – we know that a 3-D walk-through could make all the difference between a client understanding what were trying to sell and them giving the work to someone else.' Location and the building's striking appearance are significant plus points. 'I think the environment allows us to raise our game,' Kris says. 'At eye level this spot connects you with the rest of Sheffield and its just across the road from the main station. It couldn't be a better location.'

'We are offering sector-specific high quality headquarters for Sheffield's digital businesses. Unlike any other business centre or managed workspace, we have a club-like atmosphere and a genuine sense of shared purpose. There is a community operating here, looking to collaborate and network with one another. That doesn't really happen in bog standard shared offices.'

Mark Wheeler

www.commbroker.com

Mark Wheeler is director of two IT companies. Commbroker he set up six months ago to help companies find the most efficient way to connect their buildings to the internet via dedicated fibre. A large part of the work takes him to Nottingham, where he is developing a 90,000 sq ft data centre that is set to be the UK's single largest centre for storing, pooling and transmitting high speed data. 'It will be connected back to the south Yorkshire region but I have to be down there regularly to speak to interested companies,' Mark says.

With his other company, Fibre Data Services Ltd, he's involved in a major drive to bring second generation broadband to the deprived South Yorkshire area where 40% of households now lack broadband and/or IT know-how. Mark divides his working day between his permanent office in Nottingham, home office, hot chairing in the open plan area at Electric Works, and for now at least, an office on the other side of town. 'Yesterday I started with the intention of coming in but I got into a flow so I stayed at home,' Mark says. 'This offers a change of environment and inspires you to up your game so I'm usually here three days a week for meetings. If I'm having meetings I'll try to commandeer the settees round that corner that are like an enclosed space.'

The location is ideal for both his business ventures. 'Clients from London and along the M4 corridor find it easy to reach by train and there's a good mix of companies renting space. This means you rarely need to outsource a service. You just speak to other users.'

'There's quite a large gap between working remotely and having a dedicated office. Electric Works fills it really well. I think its unique in the mix of location, technology and feel. I wouldn't have been persuaded to leave my home office if it wasn't here. I have nothing but praise for the people who have done it.'

South Yorkshire had very little modern, quality office space before Electric Works opened. Meanwhile the digital sector was growing fast. Sheffield is a leading e-learning city too, so this is not just about the private sector.

'We target start-ups, freelancers and students close to graduation,' says Hyam. 'We encourage all users – large and micro – to collaborate and we seek to let space to those who will actively want to do this.'

'There is real flexibility here. We have lost two club members to tenants who are themselves renting out their own desk space and facilities for ad hoc use. That's a good sign in terms of business collaboration – these are people not being hired as staff but offered co-location in the same room.' CNC (collaboration not competition) is the ethos Electric Works seeks to foster.

There is a strong emphasis on modern design, with designer furniture in the 'club' area obtained through a deal with Swiss specialist workspace furniture designers VITRA. 'People spend so much time at work – why not have the chance to relax here too?' asks Hyam.



Electric Works also has something really unique in its lobby – a helter-skelter that lets people to leave the building from the top floor, by sliding down...

Management

See page 54 – same company as Leeds Round Foundry: Creative Space Management. Director is Toby Hyam, manager of Electric Works is Louise Jamieson.

Facilities/services

- Open 24/7 with fob key access
- Virtual office (both phone and post)
- Broadband and wifi (up to 30mbps)
- 'Club' area with 24/7 access by fob key
- Lockers for members – with mobile phone charger
- Designer furniture and meeting spaces in club area
- Wide range of equipment for hire
- Meeting room/event hire – range of spaces from eight people to 150 conference centre
- Good real coffee machine – also close to city cafés
- Relaxation space, plus a wii machine and screen in atrium
- Training – strong links with partners such as business link sessions
- Free specialist events eg patent protection advice, *Dragons' Den* type sessions
- Programme of networking events, picnics, Christmas parties etc.

Club members and residents have a security fob, so they can work at any time, on any day. 'Digital and creative businesses are often 24/7,' says Jamieson. 'They may well prefer to work unusual hours compared to the 9-5 office economy. This can also be because they are doing business with associates or clients in other parts of the world in different time zones.'

Tariffs

Office space at a fully inclusive rate is around £32 per square foot. Virtual and club members (usually home-based) pay £50 per month and an extra £10 per month for a locker which they can leave equipment in. This includes a mobile phone charger. Showers and the bike park are free. There is also free use of smaller meeting rooms out of hours.

The finances

Managing agent Creative Space Management has a 10-year contract to run the workhub. The building is owned by Sheffield City Council. Conference hire by outside users is very successful, at 300% over target in the first year. IT and telephony, including the virtual office service, is also an important income generator. Income sources break down broadly as follows: 60% of revenue from office rental, 5% club membership (occasional users), 20% from IT and telephony and 15% from one-off fees, mainly meeting/event hire.

Staff

There is a team of three: manager, Louise Jamieson, and two customer service administrators. All are multi-skilled, helping with conference management, the training programme and marketing of both workspace and the hub's IT and telephony services.

Businesses and members

Currently 25 businesses and 178 workers occupy the rented offices. There are also 18 club and virtual members (typically home-based and mobile entrepreneurs). Club members' businesses are wide ranging, from a magician and web designer to architects and software companies.

The aim by the end of 2010 is to have a club of 50 flexible users. 'We are looking to get that up to perhaps 150 in time,' says Jamieson. 'We see the club as the equivalent of a business "gym" – offering enough space for those who come in on any one day but servicing a much larger group of businesses/members.'

'We've had many examples of skilled people made redundant who have set up their own venture and come in to use our virtual office services and club facilities. "Why work for someone else?" is what they usually say.'

'The market here is completely different to the one we support in Leeds at the Round Foundry Media Centre,' says Hyam. 'There are many higher end software and design companies here. It's just a bit more techie. Many graduates seem to stay in Sheffield and that's a strong reason to encourage them with a place like this. Sheffield as a whole is considerably cheaper for start-ups and creatives than Leeds or Manchester.'

About 10% of users are not digital/creative, but are still expected to complement the community. 'That is OK for the membership,' says Jamieson. 'But this is a special place for creative businesses so we do need to protect the identity and culture. That's what our clients want. The key test is: are the new users collaborative by nature?'

The challenges

The priority in a prestigious building of this scale is obviously going to be businesses renting serviced space. Indeed some larger businesses here service their own space for a slightly lower cost.

The challenge is finding the best way to link occasional club members – often talented sole traders – with each other and with staff of larger companies using Electric Works.

It is not always easy to find home-based entrepreneurs in a large city context. 'We have to use other networks and external events to reach them,' says Jamieson. 'We also invite them to events here. Staff show them the benefits of joining while they're here and introduce them to other club members so they get a sense of who they might rub shoulders with.'