*Enterprise Centres/Hubs*

# NATIONAL IMPACT + RECOVERY ACTION PLAN

**August 2020**

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**ABOUT NACEC**

NACEC
National Association of Community Enterprise Centres

NACEC is the national representative organisation of community enterprise centres in Ireland. NACEC members are to the fore in delivering responsive, creative and innovative infrastructure economic development business models and solutions with a strong regional development focus.

## ABOUT ENTEPRISE CENTRES

Enterprise Centres are proven engines of entrepreneurship. Emerging in Ireland from the late 1970s, Entrepreneurship hubs, co-works, incubators and more, enterprise centres are best known for their provision of physical workspace to new and emerging businesses. Yet, enterprise centres are also prolific providers of formal and informal vocational education and provide community-based space to convene, cocreate and network. They offer tenants, early-stage entrepreneurs' and their communities' access to structured enterprise and social innovation training courses and enable networking and supportive environments which help individuals establish and develop their businesses. Moreover, they work hard to subsidise all of the above and deliver equitable regional development. They have long been identified as valuable sources of business support, especially in areas of low employment or low economic opportunity. They can best be judged for their ability to build entrepreneurial communities or ecosystems.

## OUR ACTION PLAN

**T**he overarching theme of our Action Plan is **Future-Proofing as We Navigate Change.** All across Ireland, enterprise centres and hubs are working hard to devise tangible solutions that will safely and strategically get our enterprising centres back to work, and back to what we do best - enabling businesses, creating connected environments for working and co-working and acting as powerhouses of regional enterprise activity and job creation.

In May 2020, NACEC with the support of key stakeholders conducted a comprehensive national and sector-wide Impact and Recovery Survey which provided a comprehensive snapshot of the significant issues facing enterprise centres/hubs across Ireland as a result of Covid-19. The survey spanned new and existing enterprise centres and technology hubs, sector-focused hubs, e.g. food, technology, co-working / remote working hubs and college/university incubators all across Ireland. Importantly, and for the first time, the survey was whole of sector focused and included all ownership models - community (CLGs), private, public (DACs and university hubs), and social enterprises. Following the publication of the survey findings, a process of one to one engagement with critical stakeholders was instigated to deepen our understanding of sector impact and most importantly, a focus on practical solutions that will drive recovery. See Appendices 1 for full consultee engagement listing.

Based on this engagement, **5 core themes arose**. We now put forward **14 sector-wide stimulus actions** for the revitalisation of enterprise centres and hubs, equipping them as recovery changemakers throughout the country.

# 1. EMBRACING THE BLEND

The COVID-19 crisis has overturned traditional workplace dynamics as we have embraced and benefited from flexibility and wellbeing. Enterprise centres and hubs are the pioneers of co-working and are ideally positioned to provide a future of work blend of **HUB- HOME- HQ**. For countless businesses, remote working practices will be part of their new norm, and regional hubs are positioned to provide structured, well connected, professional working environments, that are potentially less expensive than the equivalent area of office space. But this is not just about space – the creation of regional ecosystems and enterprise clusters that innovate quickly is as vital as premium workspaces. Our consultation with Regional Enterprise Plan Managers across Ireland verified the role of enterprise centres as enterprise champions within regional ecosystems. The OCED SME and Entrepreneurship Policy in Ireland report 2019 is now more critical than ever in its recommendations to strengthen SMEs and entrepreneurship across the economy. Consultation with Enterprise Ireland Regional Directors, the Regional Enterprise Development Fund team and Local Enterprise Offices highlighted that the positioning of centres needs to be underpinned by balanced regional development with clusters of hubs working together in a model that delivers value.

**NEED FOR RESOURCING OF REGIONAL CLUSTERS.** Interesting cluster projects are emerging including NACEC's networks of community enterprise centres across nine regions, the Midlands Audit and Networking of Midlands Co-working Facilities, Happen, an emerging network of co-working spaces in the Midwest and Atlantic Economic Corridor (AEC) Enterprise Hubs Project a three-year project to create an interconnected community network. A further example is the coming together of three Drogheda enterprise organisations to develop Embrace the Change, a new Commuter Strategy to retain the 15,000 skilled workers in the immediate district, and to encourage more start-ups, multinationals, and remote workers to base themselves in the wider Drogheda region. Such initiatives at the micro or

regional level should be supported and accelerated.

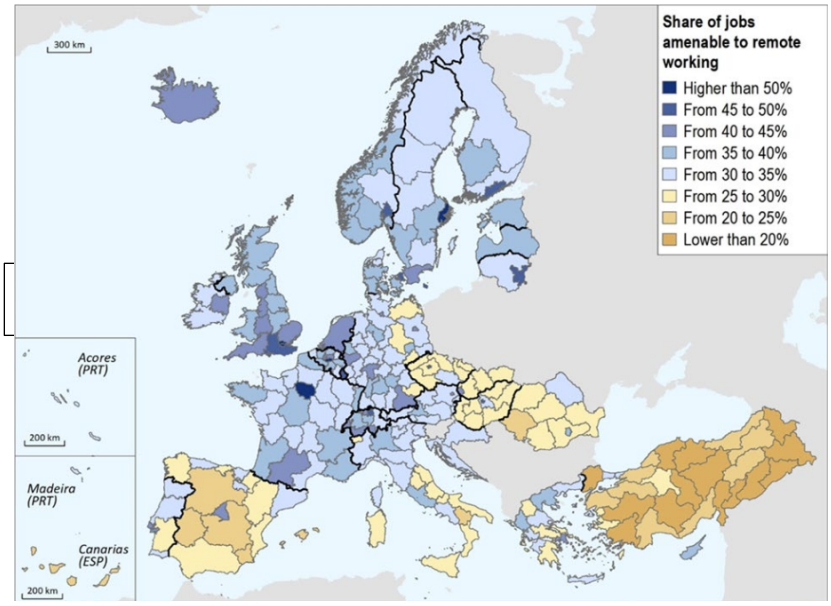
**ACTION 1.1** Dedicated collaboration support funding to be channelled into the creation and support of enterprise centre cluster networks in each region. The successful clusters that are emerging have or need funding for a Regional Network Coordination function. This measure would reduce duplication of marketing effort and accelerate technology advancement through coordination of centralised regional digitised booking systems, not only for co-working and enterprise space but also for skills advancement. It would also act as a deliverable under Action 6 of the Road Map for SME And Entrepreneurship Policy in Ireland[1] which seeks to 'Create a national support framework for local enterprise-led networks'.

**NEED FOR SKILLS AND TALENT MAPPING IS AS IMPORTANT AS FACILITIES OFFERING** Our consultation message from IDA Regional Managers was very clear. There is vast variation in hubs, and it will be a challenge for hubs to 'play in the game of FDI'. For corporates to fully embrace blended work and become distributed organisations, enterprise centres working with key economic development, organisations need to prove the talent and skills set is in place. Success in bundling space and talent mapping is cited for Cavan Digital Hub, the Hatch Lab, Gorey and Sneem Digital Hub.

**ACTION 1.2** – Regional clusters of enterprise hubs should engage with the Regional Skills, Local Authorities, Enterprise Ireland, IDA and regional educator providers to undertake and consistently update regional skills and talent mapping.

**HUB- HOME- HQ – BLENDING HUB AND REMOTE** Our remote working collaborators IBEC/Small Firms Association, TU Dublin, RoRemote and Grow Remote are working hard on policies and introducing devolved future-of-work possibilities into public and corporate consciousness. We are also guided by interesting research' Remote working during COVID-19 Ireland's National Survey' published in May 2020 by NUI Galway in conjunction with the Western Development Commission[2] which shows that 49% of survey respondents would like to work across variables of home/hub, work-sharing space and onsite. From an employer perspective, IBEC[3] research shows that 64% of Senior HR personnel experienced difficulty in facilitating remote working. On July 9th 2020, the Government launched a public consultation process on guidelines for remote working. The guidelines are intended to address issues arising from remote working, including health and safety, employment rights and data protection.

The OCED[4] International Comparison of regions study shares an interesting analysis of the number of jobs in each country or region that can be carried out remotely as the percentage of total employment. For Ireland, the potential for remote working is higher in more densely populated areas. The OECD advises that regions and cities will adapt at different speeds to the "social-distance economy", which may lead to a greater acceptance of remote working beyond the current health crisis. "Such wider acceptance might open new opportunities for places, such as intermediate cities and regions, that combine high-quality digital infrastructure with relatively large shares of high-skilled occupations".




Consultees, including Tech Ireland, also contend that incentivisation will be needed to accelerate the HUB- HOME- HQ model.

[1] https://dbei.gov.ie/en/Publications/Publication-files/A-Road-Map-for-SME-and-Entrepreneurship-Policy-in-Ireland.pdf
[2] McCarthy, A., Ahearne, A., Bohle Carbonell, K., Ó Síocháin, T. and Frost, D. (2020). Remote Working During COVID-19: Ireland's National Survey Initial Report. Galway, Ireland: NUI Galway Whitaker Institute & Western Development Commission.
[3] Survey conducted March 23/24, 2020 and completed by 440 of the most senior HR contact in member companies.
[4] https://read.oecd-ilibrary.org/view/?ref=134_134296-u9iq2m67ag&title=Capacity-for-remote-working-can-affect-lockdown-costs-differently-across-places

**ACTION 1.3** –Bring together a Think Tank of the key players with a vested interest in all aspects of remote and blended co-working and the gig economy. This will build on the work initiated by the Interdepartmental Steering Group under the Labour Market and Skills Unit and the Remote Working Consultation Forum under Pillar 4 Future Jobs Ireland in 2019 but will include the enterprise centre sector.

**LEADING STANDARDS, REASSURING USERS** The unanimous recommendation arising from our consultees is that standards need to underpin enterprise centres and hubs. As highlighted by Tech Ireland, while short term fixes have gotten us through the lockdown period, the future of work needs definitive quality standards and regional development ecosystems. For centres to be considered as landing spaces for remote teams, workers and corporates prioritised the introduction of the first quality standards framework for enterprise centres in Ireland and beyond. NACEC was awarded funding under Enterprise Ireland Regional Enterprise Development Fund call 3 to progress this critical task. Our fruitful consultation with NSAI is progressing, not only with their guidance in the development of a quality standards framework in short to medium term, but also a longer-term collaboration in terms of enterprise centres developing Innovation Management standards programmes for centre managers and client SMEs.

**ACTION 1.4** –Establish and resource a cross-sector working group to progress the quality standards framework. Key players would be NACEC, NSAI, Enterprise Ireland and AEC/WDC, building on their work in developing an enterprise hub classification system, as well as representations from the relevant regional networks, private Irish owned hubs, university incubators, local authority / chamber hubs and community enterprise centres.

## 2. DIGITISATION - INVESTMENT TO FACILITATE THE FUTURE OF WORK and THE FUTURE OF LEARNING

The COVID-19 pandemic has clearly shown the importance and the need to accelerate the digital transformation of our enterprise centres and hubs. Along with the provision of digital products and online services, centres need to embrace data security required by remote workforces and future proof their business by increasing their understanding and use of IoT, big data, and AI. A recent report by the European Investment Bank (EIB)[5] highlights that "digital innovation hubs are a first-line, local access point, they play a critical role in facilitating the digitalisation of European companies across industries and regions". In the digital space, collaboration models between Chambers and Enterprise Centres should be further facilitated in that they support for 'intelligent investment' and are conscious of overlapping areas (Chambers Ireland). Examples include Kildare Chamber and their involvement as a critical stakeholder at Board level in MERITS Mid East Regional Innovation Thinkspace and Galway Chamber and their leadership in developing The Portershed.

### INVESTMENT TO FACILITATE THE FUTURE OF WORK

- Increasing broadband connectivity capacity as an indicative connectivity level, 50% of NACEC members offer up to 100mb fibre broadband while 28% offer up to 1000mb/1Gbps broadband. Bringing all centres to an industry minimum connectivity standard is a priority
- **I**nvestment in smart solutions for enterprise centre management and operations, e.g. remote building access systems, cloud access**,** air quality monitoring etc
- Provide mentoring and business advisory in helping businesses and retailers to trade online. Centres have played a key role in assisting companies in accelerating their eCommerce business models. Formalising their role in this regard has a vital role to play in the recovery. This function links to Action 4 Focus on Clusters, Local Economy.
- Accelerate the centre's digital marketing skills to include the creation of virtual centre tours through AR and VR experiential marketing opportunities

[5] https://www.eib.org/en/publications/financing-the-digitalisation-of-smes-report The European Investment Bank (EIB) Innovation Finance Advisory, with the support of the European Investment Advisory Hub, and of the European Commission (EC), has prepared this study in close cooperation with DG Connect to review access-to-finance conditions for the digitalisation of small and medium-sized enterprises (SMEs) and the role of digital innovation hubs (DIHs) as key enablers in the wider ecosystem.

**ACTION 2.1** National Connectivity Audit of all Centres – commission a survey of enterprise centre digitisation and broadband connectivity provision. Map centre challenges including a review of broadband speed**,** cloud access**,** firewall and security systems, backup batteries, repeater systems (for mobile phone reception), servers etc. The survey would be conducted in partnership with Enet Ireland, owned by the Irish Infrastructure Fund (IIF). It will benchmark enterprise centres across five criteria - Connectivity, Wi-Fi access, Security, Business applications and Unified Communications. Given the depleted cash flow of enterprise centres and hubs, ensure a funding stream is available to enterprise centres to future-proof their digital capacity.

## INVESTMENT TO FACILITATE THE FUTURE OF LEARNING

Across all regions, enterprise centres and hubs are to the fore in providing training programmes and rental of space for others to deliver training. The NACEC 2019-member survey showed 55% of centres offer tailored training programmes while 67% rely on room rental to external training providers. As we recalibrate training and education, there is consensus that a mere "copy and paste" of a traditional classroom into a virtual classroom may not be the most beneficial approach. Organisations working mainly in the field of basic and life skills with adults who are furthest from learning also tend to be those with the least resources to build up an adequate technological infrastructure within their institutions, not to mention lending computers and other equipment to learners. As a result, many adult education providers were inadequately equipped both in terms of technological infrastructure and the online teaching skills of educators when the crisis started.

**ACTION 2.2** Resource and build on enterprise centre work to

- Update training facilities and technology in terms of socially distanced training and event spaces, hardware, AV etc to offer experience that bridges physical and virtual training offerings.
- Digitise their training offering through multimedia investment to migrate classroom training programmes to blended training programme delivery formats including podcast studios and multimedia suites. Augment current classrooms by developing competencies in developing personalized, distance, and flipped learning.
- Work with communities to overcome the digital divide by providing well-connected learning facilities and access for college students, digital education and training. Innovative collaborations between enterprise centres and colleges and universities are emerging as a viable remote learning solution.

Our consultation with the Regional Skills Forum (RSF) Managers and Skills Planning and Enterprise Engagement Unit of the Department of Education highlighted that RSF Managers would benefit from a profiling of the enterprise centres in their regions as a starting point in the identification of skills needs. While some RSF Managers including the Mid-East and Midlands are currently working closely with enterprise centres in their regions, others would benefit from an engagement process as a starting point in developing a formal collaboration with the education and training providers. This could progress to the creation of suitable and relevant responses, including blended training programme delivery. Enterprise centres can play a role in connecting the RSF Managers to large numbers of SMEs in their role as identifying and addressing the existing and emerging skills needs of employers. With a better understanding of the skills needs, the RSF Managers can signpost to relevant trends/initiatives in the future of learning.

**ACTION 2.3** – Connections to Facilitate the Future of Learning. Each region to convene an enterprise centre briefing and engagement process with its Regional Skills Forum (RSF) Manager.

**ACTION 2.4 -** Skills Provision Mapping. Complimentary to ACTION 1.2. Regional Skills and Talent Mapping. This action will see the mapping of all and provide public access to the full overview of training originated by enterprise centres/hubs. This will feed into the regional talent mapping (to combine workspace and talent available in a marketing package to potential tenants and FDI leads) and engagement with the Regional Skills Fora across the country. A current example is Keep London Learning https://keeplondonlearning.com/about/, a project launched by adult community education providers in response to the Covid-19 crisis. The project has the support of the Greater London Authority and Central London Forward.

**ACTION 2.5** Pre-Acceleration Opportunity. Our consultation with representatives of Local Enterprise Offices and NDRC highlighted a specific opportunity for enterprise centres to provide regional pre-acceleration programmes to support commericalisation pipeline generation and act as feeders to their respective programmes. The potential to

equip regions to run pre-accelerators would unlock the learning of NDRC from running acceleration programmes in the Portershed and Arc Labs is compelling. Open-sourcing NDRC's knowledge with tailored approaches to validation, boot camps and playbooks for regional pre-accelerator is an unprecedented opportunity. Setting up a development subgroup of vested interested parties is a key first step.

**ACTION 2.6** Community-based learning for business. Our consultation with the Local Development Companies verified there was a role for enterprise centres in building on the work of Partnerships with the self-employed and the social enterprise sector. This was confirmed by the Department of Community and Rural Development. They want to encourage enterprise centres/hubs to facilitate social enterprises to grow in scale, support jobs, and make a positive impact on individuals and communities in their areas. Further engagement is planned to create an engagement mechanism.

## 3. CLIMATE ACTION

Like all actors in our economy, enterprise centres and hubs are facing increasing challenges relating to the climate crisis. As established in the NACEC Strategic Plan, over 75% of centres have experienced increased costs since 2018, primarily in utilities while compliance with ever stricter regulations on energy use, waste disposal etc. is a constant task. Smart enterprise centres have begun transforming challenges into opportunities, converting to renewable energy, deploying innovative low-carbon technologies, sustainably sourcing resources, etc., but more *needs* to be done and *can* be done.

As we recalibrate for a post-COVID-19 future, our enterprise centres are in a position to not only improve their centres' environmental performance but to reach and teach thousands of micro and small enterprises to adopt sustainable practices, to add value to their business model while simultaneously helping construct a more climate-neutral future. Enterprise centres have the opportunity in the new climate reality to become best practice exemplars of climate action and sustainability. In so doing, we can deliver on the Government's Climate Action Plan 2019 and the Green New Deal for Europe plan to build a fairer economy while protecting our planet. Launched in September 2015, the UN Sustainable Development Goals (SDGs) are the new KPIs for the planet and seek action on 17 critical social and environmental issues — by 2030. They position business as a vital partner in achieving sustainable development. In Ireland, they are seen as a whole of Government priority, and Enterprise Ireland prioritises 'Transitioning to a Low Carbon Economy' as part of it's Powering the Regions Strategy.

The follow SDGs are of specific relevance to the enterprise centre sector:-

- **Economic, Education & Innovation**: 4. 8, 9 & 11
- **Environment:** 7, 11, 12, 13
- **Community Improvement:** 1, 2, 4, 6, 8 - 12

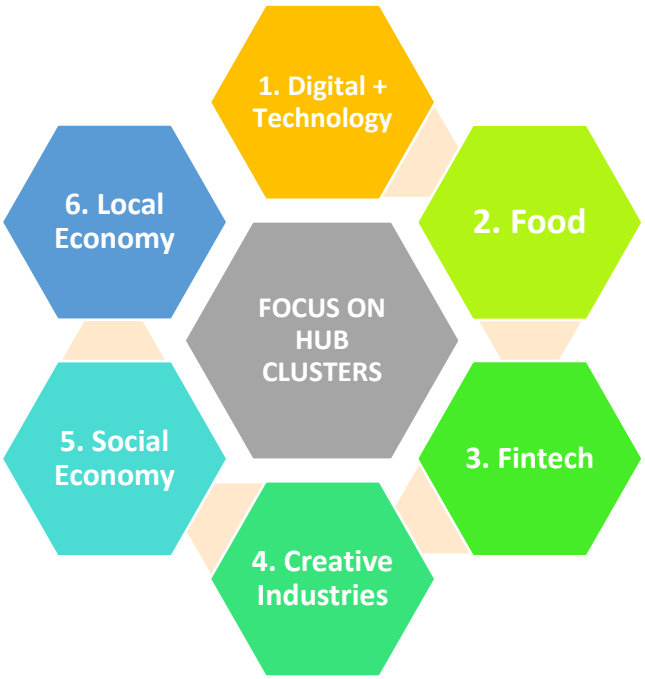
As part of the LEADING STANDARDS, REASSURING USERS action, we contend that the adaptation of facilities and workspaces and future capital investment and operational investment will be as green as possible. Hence, a formal benchmark process will be introduced to prove and communicate our greening credentials. Importantly, the Goals establish how local action and local movements are critical for progress. Importantly for this Action Plan, the Goals position partnership as necessary to achieve the scale, innovation and impact needed for their attainment. We propose two specific actions

**ACTION 3.1** Enterprise Centres Sustainable Development Goals Charter. The development of an SDG Charter which each enterprise centre/hub will formally commit to with a view to a culture change, prioritising sustainability, mindfulness of consumption and resource reduction.

**ACTION 3.2** Secure resources to deliver an Enterprise Centre Climate Change Programme. There are two motivations to develop a tailored Climate Change programme for Irish enterprise centres. Anticipated future increases in operating costs due to ageing buildings and repairs is a concern, and when combined with increasing energy costs, it is time to act. We will retain external specialists to design a pilot Enterprise Centre Climate Change Programme for a cohort of enterprise centres over two years. In conjunction with this programme, we will provide a Guide to Healthier Enterprising Communities, a practical guide to helping centres embed a healthy outlook. Typical inclusions will be bicycle stands, standing desk options, and wellbeing workshops.

## 4. FOCUS ON CLUSTERS

The OCED tell us Ireland does not have enough clusters and Theme 3 in the ROAD MAP FOR SME AND ENTREPRENEURSHIP POLICY IN IRELAND[6] focuses on Fostering Enterprise-led Networks. They highlight that the integration of SMEs into local enterprise-led networks with research institutions, foreign direct investors, universities and colleges can help SMEs to get involved in development projects that they would not otherwise undertake, while also promoting peer learning, synergies and spill-overs. Enterprise centre clusters are engaged on a day to day basis with thousands of SMEs and are ideally placed to play a leading role in this area. While excellent work is ongoing through the Technology Gateway Networks,[7] our Action Plan seeks to kickstart building the capacity of enterprise centre clusters focused on regional recovery and trade, increased innovation and knowledge transfer and new value chains. While digital and technology are a central part of the enterprise centre offering, our Recovery Plan must support specialist cluster-led groups in the regions to maximise the benefits of collaborative opportunities where the results of the activity will have identifiable and measurable impacts in their regions. In formulating this Action Plan, we have identified six sectors for increased enterprise centre collaboration.




As per Regional Enterprise Development Fund definition of a cluster, each cluster would consist of at least five independent, unrelated community and privately owned centres at sector specialisation level. As per REDF Stream Three funding criteria, the types of linkages and activities that are important in clusters include: promotion of mutual

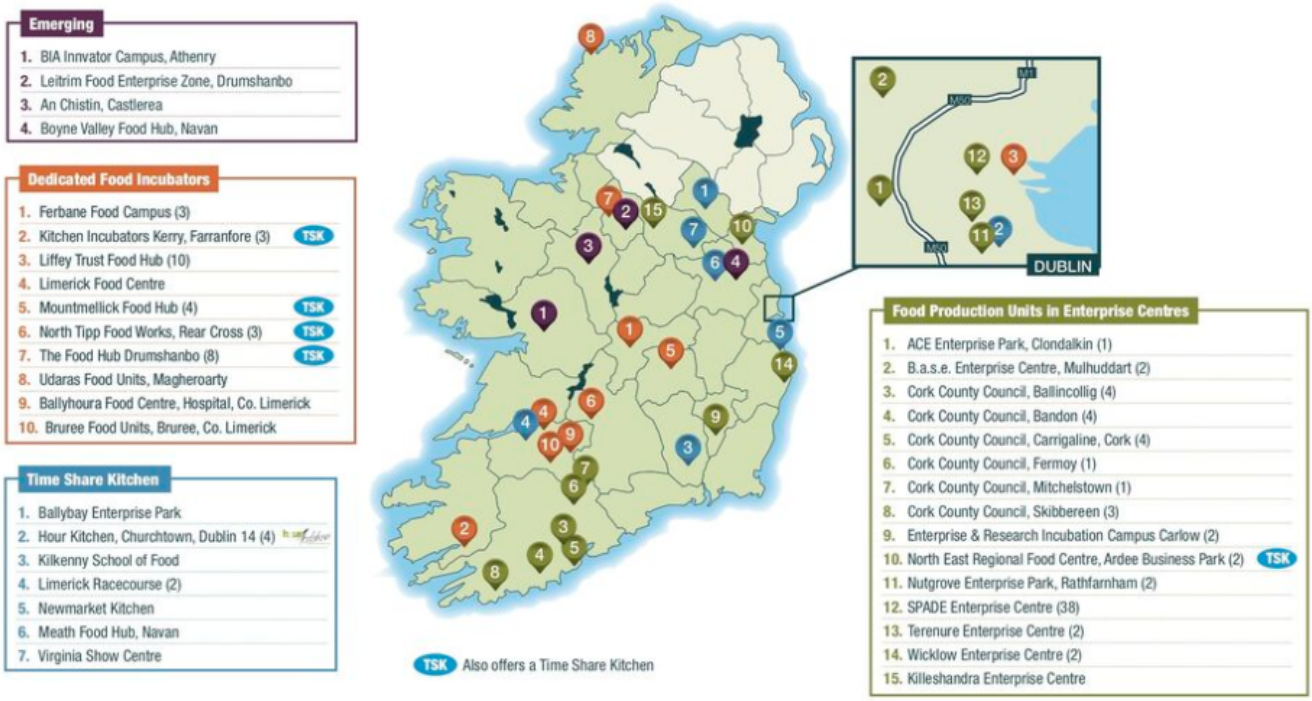
[6] https://dbei.gov.ie/en/Publications/Publication-files/A-Road-Map-for-SME-and-Entrepreneurship-Policy-in-Ireland.pdf published in October 2019

[7] Enterprise Ireland in partnership with Institutes of Technology - deliver innovation expertise to industry across Ireland. Since 2008, over 1,500 Irish companies have used the Technology Gateway Network, completing more than 2,750 innovation projects.

interests and addressing shared challenges (e.g. developing and sourcing skills and talent which IDA Ireland highlighted as a critical weakness), sharing of facilities, exchange of knowledge and expertise, networking, information dissemination, and collaboration among the centres, their clients and other organisation's in the clusters. We now outline two sectors as indicative approaches.

**Spotlight on FOOD CLUSTER**

NACEC has supported the mapping of existing and emerging food enterprise centres and incubators – see national mapping which is currently being updated. Our consultation with Teagasc Consumer Foods representative highlighted the potential of their research and innovation expertise linked to the cluster of food enterprise centres which could act as enterprise innovation feeders to the Teagasc network including the pilot production scale facility Ashtown, the National Food Innovation Hub at the Teagasc Food Research Centre, Moorepark and the emerging BIA Innovator Campus facility in Athenry.




**Spotlight on SOCIAL ENTERPRISE CLUSTER**

Ireland is highly reliant on social enterprise yet has the potential to create many more services and jobs in the sector. Forfás has estimated that Ireland's social enterprise sector supports over 25,000 jobs but has the potential to create at least a further 65,000 jobs. In July 2019, the Minister for Rural and Community Development in Ireland published Ireland's first ever National Social Enterprise Policy 2019 - 2022. The Policy aims to create an enabling environment for social enterprise to grow and contribute to Ireland's social and economic progress.

Consultation with representatives of the Department of Rural and Community Development and Local Development Company verifies that enterprise centres have a role to play in adding value to the focus on Social Enterprise. Local Development Companies (LDCs) are multi-sectoral partnerships that deliver community and rural development, labour market activation, social inclusion, climate action and social enterprise services. Their services are integrated so employment supports, enterprise grants, social inclusion, training, wellbeing and environmental supports are available under one roof. Currently, approximately 40 LDCs employ a dedicated staff member to work with and support social enterprises in every part of Ireland. In addition, LEADER and SICAP programme staff work with social enterprises.

POTENTIAL AREAS OF COLLABORATON in delivering National Social Enterprise Policy 2019 – 2022.
Two project ideas are emerging ..

- Explore potential of embedding LDC social enterprise focal points in enterprise centre premises as sustainable and 'always on' contact points. Acting as Social Innovation Labs, they could allow the space and support for

experimentation, testing and validating ideas and getting the business model and funding basis in place before commitment. On a practical level, we can explore the delivery of Social Enterprise Hubs model in Northern Ireland, which prior to their closure with the collapse of the Northern Ireland Executive, provided a very visible, dedicated and resourced space for a range of initiatives such as regeneration projects, community services and new social businesses. At the time of inception there were 11 hubs across the north, including four in Belfast[8]. A pilot could be explored.

- Preferential workspace and facilities provision for social enterprise start-ups and growing social entrepreneurs. This could work as a bank of time/credits for facilities use.

These measures would deliver tangible realisation of

- Policy Measure 4 - Support social enterprise initiation and start-ups through targeted programmes and initiatives. Enterprise centres can assist LDC in supporting capacity of new social enterprises through upskilling, training and mentoring, coaching and development of plans
- Policy Measure 5 – Enterprise centres can assist LDC to explore the scope for further inclusion of social enterprise and social entrepreneurship modules in the education and training system at all levels, and for promoting social enterprise as a viable model for entrepreneurs and social innovators.
- Policy Measure 6 - Work with education and research bodies to further support the development of social enterprise. Together, we could provide a synergistic approach through collaboration with stakeholders including vocational, adult and community education providers, policymakers, local authorities, agencies and organisations.
- Policy Measure 10 - provide tailored training for social enterprises in areas such as business planning, mentoring, leadership, governance, capacity building, financial planning and digital innovation to help them to improve their business potential as well as leadership and governance skills.

The sector is entering an exciting new phase with the launch on July 10th of SERIreland[9], the new representative body for Social Enterprise in Ireland which is built from within the sector by Social Enterprise Practitioners and supporters. Enterprise centres are poised to contribute in very tangible ways.

**Spotlight on LOCAL ECONOMY**

Enterprise centres play a key role in the revitalisation of local economies. As the National Survey of Enterprise Centres highlighted, 83% of respondent enterprise centres supported the wider community in the COVID-19 response. Examples including: -

- Providing mentoring and fulfillment hub space in helping businesses and retailers to trade online. Centres have played a key role in assisting companies in accelerating their eCommerce business models, providing technical advice and fulfillment centres. Formalizing their role in this regard has a vital role to play in the recovery.
- Created a town 'Open for business' website with 100 plus companies listed
- Established a Local Business Peer Support group for businesses which meet once a week on Zoom,
- Free access to our online programming and virtual accelerator programmes

Our consultation with the Local Development Companies verified there was a role for enterprise centres in building on the work of Partnerships with the self-employed and the social enterprise sector. This was confirmed by the Department of Community and Rural Development. They want to encourage enterprise centres/hubs to facilitate social enterprises to grow in scale, support jobs, and make a positive impact on individuals and communities in their areas. Further engagement is planned to create an engagement mechanism.

**ACTION 4.1** For each of the six clusters, resource and develop a Cluster Development Plan with enterprise centre

[8] https://www.communityni.org/organisation/social-enterprise-hub-northern-zone
[9] https://www.socialenterprise.ie/

representation and key stakeholders to be completed by the end of 2020 with a three-year development pathway.

## 5. FINANCIAL STIMULUS

The NACEC enterprise centre survey highlighted that enterprise centres at the coalface of the disruption and devastating economic and personal impact arising from COVID- 19. While centres struggle to maintain their viability (87.8% of centres are experiencing a drop in income between 21 and 80%), they are supporting thousands of entrepreneurs to navigate the crisis. The NACEC Survey Report[10] shares the robust data and evidence base, which propels solutions and positions our enterprise centres as vital conduits of recovery. While enterprise centres are positioned to provide leadership and responsive solutions in safe working facilities, blended co-working and remote working facilities, social enterprise solutions, reskilling programmes, and community signposting, there is no getting away from the need for direct financial supports to underpin enterprise centre survival and growth.

**ACTION 5.1** A stimulus package is currently being designed by Enterprise Ireland and the Department of Business, Enterprise and Innovation. Applications will be sought that put forward robust solutions to ensure the future viability of the enterprise centre sector. The sector will welcome this much needed stimulus and will ensure creative and high impact will result from same.

## ACTION TIMELINE

Pages 12 – 15 outline the summary an indicative timeline for the delivery of 5 core themes and 14 sector-wide stimulus actions for the revitalisation of enterprise centres and hubs, equipping them as recovery changemakers throughout the country.

[10] Impact and Recovery Survey

| | THEME ONE | EMBRACING THE BLEND | |
|---|---|---|---|
| | **ACTION** | **OBJECTIVE** | **WHEN** |
| 1.1 | **RESOURCING REGIONAL CLUSTERS** | Dedicated collaboration support funding to be channeled into the creation and support of enterprise centre cluster networks in each region. The successful clusters that are emerging have or need funding for a Regional Network Coordination function. This measure would reduce duplication of marketing effort and accelerate technology advancement through coordination of centralised regional digitised booking systems, not only for co-working enterprise space but also for skills advancement. It could also act as a deliverable under Action 6 of the Road Map for SME And Entrepreneurship Policy in Ireland which seeks to 'Create a national support framework for local enterprise-led networks'. | By September 2020 |
| 1.2 | **NEED FOR SKILLS AND TALENT MAPPING IS AS IMPORTANT AS FACILITIES OFFERING** | Regional clusters of enterprise hubs should engage with the Regional Skills, Local Authorities, Enterprise Ireland, IDA and regional educator providers to undertake and consistently update regional skills and talent mapping. | Explore potential By October 2020 |
| 1.3 | **HUB- HOME- HQ – BLENDING HUB AND REMOTE** | Bring together a Think Tank of the key players with a vested interest in all aspects of remote and blended co-working and the gig economy. This will build on the work initiated by the Interdepartmental Steering Group under the Labour Market and Skills Unit and the Remote Working Consultation Forum under Pillar 4 Future Jobs Ireland in 2019 but will include the enterprise centre sector. | By September 2020 |
| 1.4 | **LEADING STANDARDS, REASSURING USERS** | Establish and resource a cross-sector working group to progress the quality standards framework. Key players would be NACEC, NSAI, Enterprise Ireland and AEC/WDC, building on their work in developing an enterprise hub classification system, as well as representations from the relevant regional networks, private Irish owned hubs, university incubators, local authority / chamber hubs and community enterprise centres. | By September 2020 |
| | | | |
| | THEME TWO | DIGITISATION - INVESTMENT TO FACILITATE THE FUTURE OF WORK and THE FUTURE OF LEARNING | |
| | **ACTION** | **OBJECTIVE** | **WHEN** |
| 2.1 | **NATIONAL CONNECTIVITY AUDIT OF ALL CENTRES** | Commission a survey of enterprise centre digitisation and broadband connectivity provision. Map centre challenges including a review of broadband speed, cloud access, firewall and security systems, backup batteries, repeater systems (for mobile phone reception), servers etc. The survey would be conducted in partnership with Enet Ireland, owned by the Irish Infrastructure Fund (IIF). It will benchmark enterprise centres across five criteria - Connectivity, Wi-Fi access, Security, Business applications and Unified Communications. Given the depleted cash flow of enterprise centres and hubs, ensure a funding stream is available to enterprise centres to future-proof their digital capacity. | By Spring 2021 |

| | | | |
|---|---|---|---|
| 2.2 | **INVEST IN THE FUTURE OF LEARNING** | Resource and build on enterprise centre work to<br><br>• Update training facilities and technology in terms of socially distanced training and event spaces, hardware, AV etc to offer experience that bridges physical and virtual training offerings.<br>• Digitise their training offering through multimedia investment to migrate classroom training programmes to blended training programme delivery formats including podcast studios and multimedia suites. Augment current classrooms by developing competencies in developing personalized, distance, and flipped learning.<br>• Work with communities to overcome the digital divide by providing well-connected learning facilities and access for college students, digital education and training. Innovative collaborations between enterprise centres and colleges and universities are emerging as a viable remote learning solution. | July 2020 - Spring 2021 |
| 2.3 | **CONNECTIONS TO FACILITATE THE FUTURE OF LEARNING** | Each region to convene an enterprise centre briefing and engagement process with its Regional Skills Forum (RSF) Manager. | By October 2020 |
| 2.4 | **SKILLS PROVISION MAPPING** | Complimentary to ACTION 1.2. Regional Skills and Talent Mapping. This action will see the mapping of all and provide public access to the full overview of training originated by enterprise centres/hubs. This will feed into the regional talent mapping (to combine workspace and talent available in a marketing package to potential tenants and FDI leads) and engagement with the Regional Skills Fora across the country. | By Spring 2021 |
| 2.5 | **PRE-ACCELERATION OPPORTUNITY** | Our consultation with representatives of Local Enterprise Offices and NDRC highlighted a specific opportunity for enterprise centres to provide regional pre-acceleration programmes to support commercialisation pipeline generation and act as feeders to their respective programmes. The potential to equip regions to run pre-accelerators would unlock the learning of NDRC from running acceleration programmes in the Portershed and Arc Labs is compelling. Open-sourcing NDRC's knowledge with tailored approaches to validation, boot camps and playbooks for regional pre-accelerator is an unprecedented opportunity. Setting up a development subgroup of vested interested parties is a key first step. | By October 2020 |
| 2.6 | **COMMUNITY BASED LEARNING HUBS** | Our consultation with the Local Development Companies verified there was a role for enterprise centres in building on the work of Partnerships with the self-employed and the social enterprise sector. This was confirmed by the Department of Community and Rural Development. They want to encourage enterprise centres/hubs to facilitate social enterprises to grow in scale, support jobs, and make a positive impact on individuals and communities in their areas. Further engagement is planned to create an engagement mechanism. | By October 2020 |

| | THEME THREE | CLIMATE ACTION | |
|---|---|---|---|
| | **ACTION** | **OBJECTIVE** | **WHEN** |
| 3.1 | **ENTEPRISE CENTRE SUSTAINABLE DEVELOPMENT GOALS CHARTER** | The development of an SDG Charter which each enterprise centre/hub will formally commit to with a view to a culture change, prioritising sustainability, mindfulness of consumption and resource reduction. | By October 2020 |
| 3.2 | **SECURE RESOURCES TO DELIVER AN ENTERPRISE CENTRE CLIMATE CHANGE PROGRAMME** | There are two motivations to develop a tailored Climate Change programme for Irish enterprise centres. Anticipated future increases in operating costs due to ageing buildings and repairs is a concern, and when combined with increasing energy costs, it is time to act. We will retain external specialists to design a pilot Enterprise Centre Climate Change Programme for a cohort of enterprise centres over two years. In conjunction with this programme, we will provide a Guide to Healthier Enterprising Communities, a practical guide to helping centres embed a healthy outlook. Typical inclusions will be bicycle stands, standing desk options, and wellbeing workshops. | By Spring 2021 |

| | THEME FOUR | FOCUS ON CLUSTERS | |
|---|---|---|---|
| | **ACTION** | **OBJECTIVE** | **WHEN** |
| 4.1 | **CLUSTER DEVELOPMENT PLAN** | For each of the six clusters, resource and develop a Cluster Development Plan with enterprise centre representation and key stakeholders to be completed by the end of 2020 with a three-year development pathway. | By Spring 2021 |

| | THEME FIVE | FINANCIAL STIMULUS | |
|---|---|---|---|
| | **ACTION** | **OBJECTIVE** | **WHEN** |
| 5.1 | **FINANCIAL STIMULUS PACKAGE FOR ENTERPRISE CENTRES + HUBS** | A stimulus package is being designed by Enterprise Ireland and the Department of Business, Enterprise and Innovation. Applications will be sought that put forward robust solutions to ensure the future viability of the enterprise centre sector. | By August 2020 |

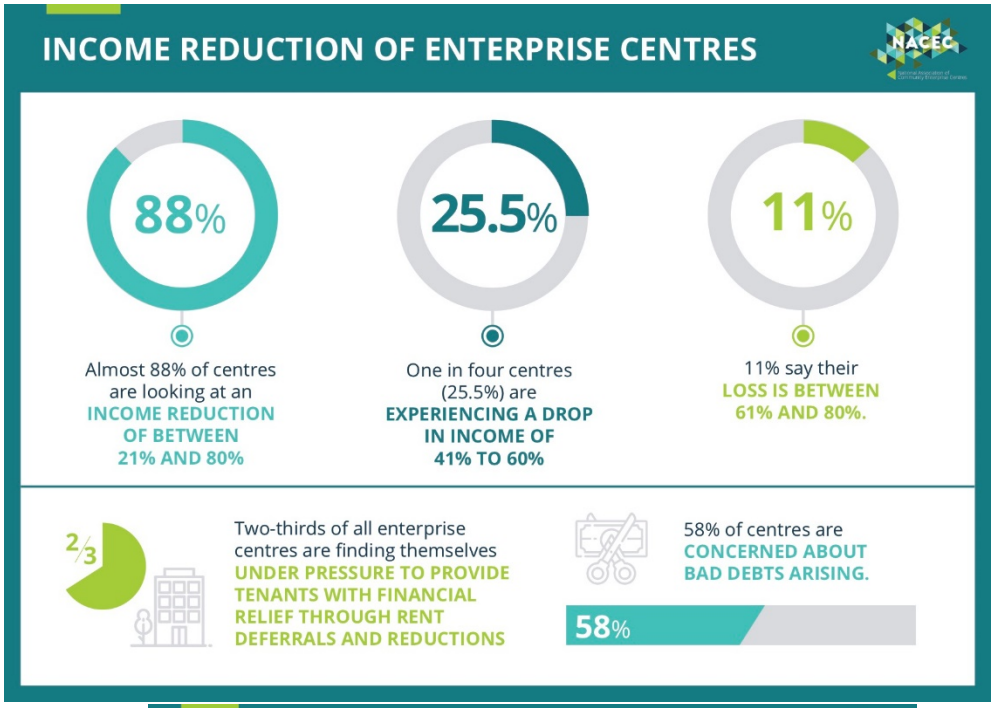
# APPENDICES ONE – CONSULTEES + CONTRIBUTORS

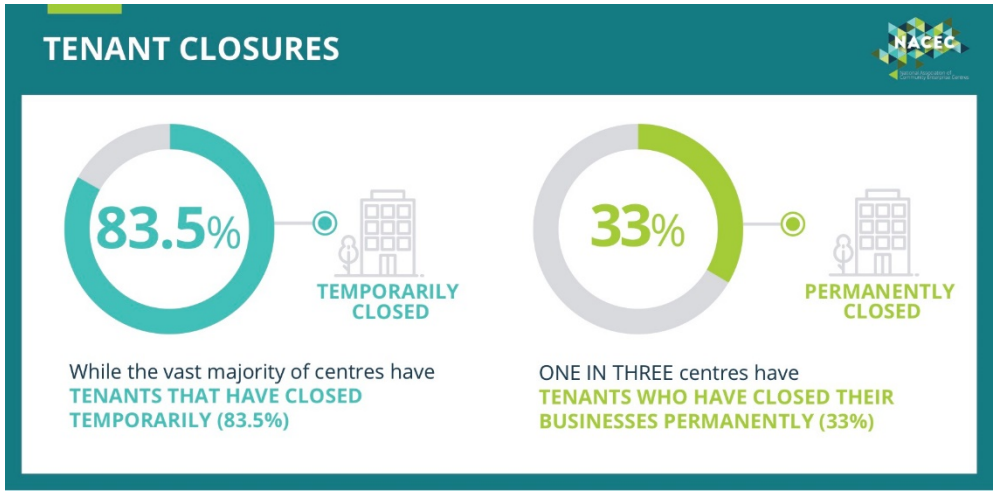
The welcome from sector wider consultees and collaborators for this ENTERPRISE CENTRE RECOVERY PLAN bodes well for a period of recovery, stabilisation, and growth. We are indebted to :-

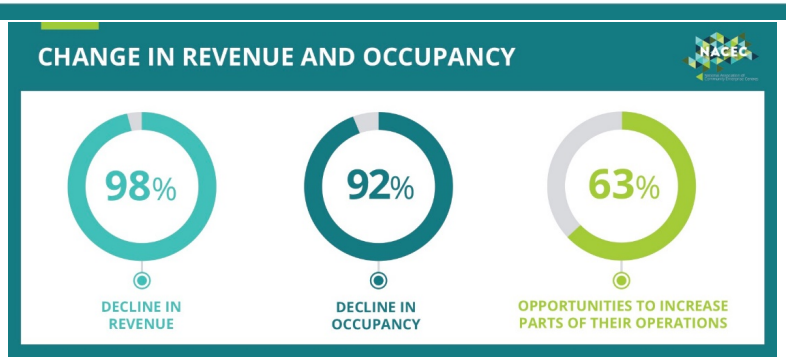
- *Minister Heather Humpheys, TD*
- *Department of Business, Enterprise & Innovation*
- *Department of Rural & Community Development*
- *Department of Housing & Local Government*
- *Department of Communications, Climate, Action & Environment*
- *Department of Education & Skills*
- *Enterprise Ireland - Regional Directors*
- *IDA - Regional Managers*
- *Local Authorities – LGMA / CCMA*
- *Local Enterprise Offices*
- *Local Development Companies*
- *Western Development Commission – WDC*
- *Atlantic Economic Corridor – AEC*
- *Chambers Ireland*
- *Teagasc – Agriculture & Food Development Authority*
- *Regional Enterprise Plan Managers*
- *Regional Skills Forum Managers*
- *National Standards Authority of Ireland – NSAI*
- *Irish Business & Employers Confederation – IBEC*
- *National Digital Research Centre – NDRC*
- *Small Firms Association – SFA*
- *InterTradeIreland*
- *Tech Ireland*
- *Asia Matters*
- *Ireland Together*
- *Dogpatch Labs*
- *TU Dublin*
- *RoRemote*
- *Enet Ireland*
- *Grow Remote*
- *SERI*

# APPENDICES TWO – NACEC Summary of Enterprise Centres/Hubs National Survey

The Enterprise Centres/Hubs Covid-19 Impact and Recovery Survey (May 2020) provides a comprehensive snapshot of the significant issues facing enterprise centres/hubs across Ireland as a result of Covid-19. Our national research study spans new and existing enterprise/technology centres, food/digital hubs, co-working / remote working hubs, college/university incubators in Ireland regardless of whether they are private, public (DACs and university hubs) or community-owned (CLGs), not-for-profits, social enterprises or NACEC members. It was conducted in the period 12th - 16th May 2020 and was completed by 87 representatives of enterprise centres/hubs all across Ireland.



## IMPACT ON CAPITAL GROWTH PLANS

**44%** TEMPORARILY DEFERRED

**17%** PUT ON ICE INDEFINITELY

The majority intend to proceed but plans are BEING TEMPORARILY DEFERRED (44%) or PUT ON ICE INDEFINITELY (17%)

## TOP 4 CHALLENGES

### FINANCIAL

- Revenue and struggling tenants. Liquidity pressure through the loss of working capital due COVID-19 rent holidays leaving a dent in future finances
- Exhausting our reserve funds should we need to do extended rental deferrals and write-offs.
- Social distancing and remote home working could be the death knell for some co-working spaces.
- Cost of the interventions required structurally and operationally
- Managing bad debts, forgoing necessary rent reviews and lost income arising. Rents falling again just after getting them back up to a sustainable level
- Being in a position to capitalise on the opportunities that will exist post Covid-19
- Building upgrades/ not been able to afford upgrades due to rental cutbacks from COVID-19
- Access to grants as a privately owned hub
- Urgent need to access funding – grants as opposed to loans.

### WORKING ENVIRONMENT + OPERATIONS

- To keep the centre free of COVID-19.
- Re-opening: Safety of staff, clients, users must be assured.
- Adopting new procedures to ensure a safe environment safe for all tenants + staff
- Adopting new procedures to ensure a safe environment safe for all tenants + staff

### MARKETING + COMMUNICATIONS

- Exploring our USP given the new world. Building confidence
- Getting people to come back in, recruitment of employers
- We are building a community in this new environment
- Finding and supporting innovative start-ups and SMEs to engage with us in 2020-21.

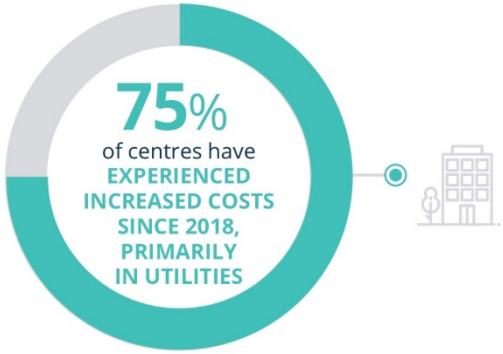
### INFRASTRUCTURE DEVELOPMENT

- Getting key infrastructural projects up and running asap
- Controlling costs, the delays are causing. Accessing contingency support funds.

## FUTURE-PROOFING AS WE NAVIGATE CHANGE

### COVID 19

OFFERS A CHANCE TO RESET + RESHAPE ENTERPRISE CENTRES IN A MORE SUSTAINABLE WAY




### COMMITMENT TO TRIPLE BOTTOM LINE

PEOPLE PLANET PROFIT

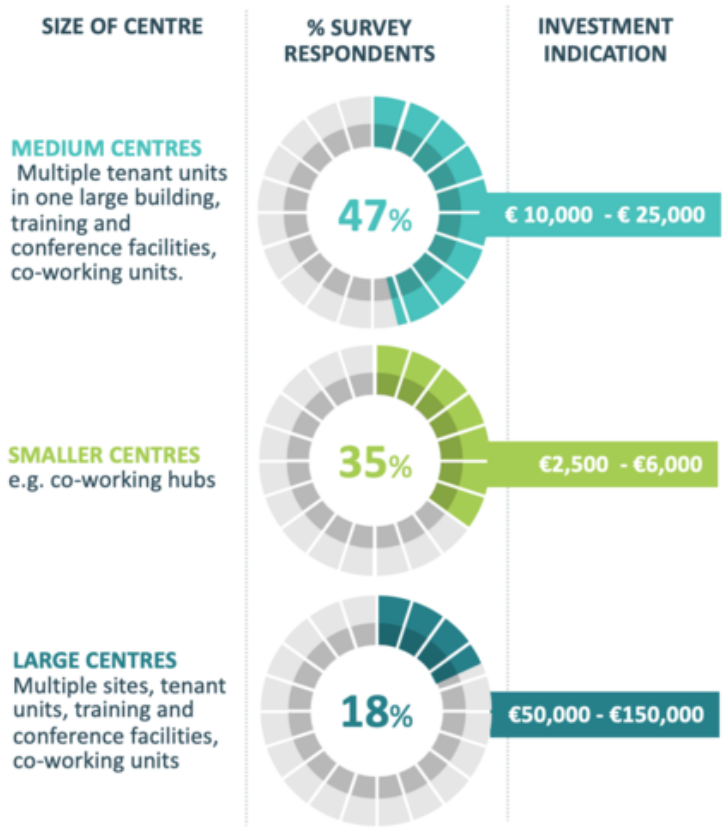
Ambition to not only **improve centres' environmental performance**

but to reach and teach thousands of **micro and small enterprises to adopt sustainable practices**

to add **value to their business model** while simultaneously helping construct a more **climate-neutral future.**

**ANTICIPATED INVESTMENT NECESSARY TO OPERATE TO A MAXIMUM AND SAFE CAPACITY**.

*Note: this indicative investment cost is focused on capital costs only*




**ACCESS THE FULL SURVEY REPORT ON**
https://enterprisecentres.ie/2020/05/18/nacec-launches-findings-of-its-recent-enterprise-centre-hubs-covid19-impact-and-recovery-survey/