



Portland Works Business Plan 2014

Making, enterprise & cooperation

A future for Sheffield's creative heritage

Our thanks to our numerous and varied supporters, both financial and in giving their time, without whom we wouldn't be writing this plan.

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**THE ARCHITECTURAL
HERITAGE FUND**

Contents

Executive Summary	5
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Portland Works Business Plan

Mission, Aims, and Objectives	9
Policy Context	17
Legal Structure and Governance	19
Financial Planning	25
Analysis of Risk	32
Swot and Pestle Analysis	34

Appendixes

Supporting Documents	38
Portland People	40
Support for the project	48
Makers Lab	57
Acknowledgments	60



Executive Summary

Portland Works Little Sheffield Ltd. is a Community Benefit Society ('the Society') established in 2011 to buy, renovate and manage Portland Works ('the Works'), a Grade II* listed building in the Little Sheffield district of Sheffield, South Yorkshire. Built in 1879, the Works is a fine example of a courtyard-style multi-workshop cutlery factory and is of architectural and historic importance.

The Society originated from a four year campaign to save the building from conversion to flats and retain its original function as a site of industry and creativity. Broad community involvement and extensive media coverage was achieved, delivering a strong argument for an alternative future for the building and raising sufficient funds for its purchase. The Society bought the Works in February 2013.

The Society's aims are:

- Conserving and renovating Portland Works
- Offering affordable workspace
- Supporting and promoting small-scale manufacturing and creative businesses
- Developing a community heritage and education resource.

Context

Portland Works is of historical significance as the first place where stainless steel cutlery was made, in 1914. In a contemporary context it offers the potential for innovation and the development of small scale creative businesses; we want to encourage future 'Little Mesters' and already have established connections to strong networks of metalworkers, artists and musicians in the city.

Portland Works provides workshop and studio space of varying sizes suited to small businesses wanting basic facilities for activities that are 'messy' and dirty and noisy. This type of space has become increasingly hard to locate in Sheffield; there is a shrinking supply of low cost, small scale workshop accommodation.



Vision

Our vision is that Portland Works will be a physically sound, fully-occupied building, owned and managed in a democratic way by its tenants and shareholders. It will provide affordable workshops and studios for craftspeople and the creative industries and for small business start-ups. We also believe that the Works is more than just a collection of businesses. It represents the kind of space that is disappearing from our cities, but is vital to sustaining creativity and a good quality of working life.

As a social enterprise, surpluses made from running the Works will be reinvested in the building and activities that will bring wider social benefit. The Society will foster opportunities for education and promotion of the heritage values of the Works, along with support for workplace training and small business development. As well as supporting existing businesses, we also hope to inspire others and to be a positive catalyst for change.

Finance

Financially, this is a long term project: our business plan covers a 25 year period. The first phase ended in 2013 with the purchase of the Works; the current phase involves the longer term management and renovation of the building using revenue from rental income and capital grants. Currently capital requirements are being met from a combination of community share



sales, short-term loans from social investment lenders, and Community Bond loans from individuals.

- £267,000 of share capital was raised from 486 shareholders during 2011-13
- £200,000 of loans secured from social investment businesses
- Further loans of £106,000 in Community Bonds with 3 and 5 year terms, bought mainly by shareholders.

It is the intention to replace all short-term loans with a long-term mortgage in 2015/16. We are currently funding urgent repairs and maintenance of the Works from a £100,000 capital surplus on purchase. However for longer term permanent repairs and a fuller renovation, we must apply to bodies such as the Heritage Lottery Fund to fund major works. Rental income is currently around £50,000 per annum, but we propose to raise this (over a five year period) to exceed £75,000, at which point the building's annual costs will be met.

Risk

Our equity funding is almost 50% of our total and the rest is borrowed from sympathetic sources at reasonable rates.



The Society

Membership of the Society comes through share ownership. Shares have a fixed value of £1 with minimum holdings of 100 for ordinary members and 25 for tenants of the Works. In accordance with the Financial Conduct Authority's rules for a community benefit society, any person may buy shares up to a total value of £20,000, and will qualify for one vote at the AGM regardless of the value of their holding. The Society is run by a Board of volunteer Directors, elected at the AGM, with input from other volunteers through a set of committees and sub groups. A part-time manager is employed to manage the Works and its renovation.

Shares may qualify for interest payments, to be proposed annually by the Society's Directors and agreed at the AGM. Share capital may be withdrawn at the discretion of the Directors, and the Society plans to repay share capital progressively from Year 5 of the project and fully repay it over a 25 year period. The Society aims to pay a rate of interest which will protect members' capital investment against inflation - this is not an investment for those who prioritise financial return.



Section One

Mission, Aims, Objectives



Mission, Aims, Objectives

Portland Works is one of Sheffield's last remaining working examples of a purpose-built 'light metal trades integrated works' and is grade II* listed. Many similar buildings within the city were demolished throughout the 1950s and 1960s as part of slum clearance programmes. Others have survived but have been changed to residential or office use. Commissioned by cutlery manufacturer Robert F. Mosley and designed by J.H. Jenkinson Architects, the Works was built in one phase in 1877. Its unique claim to fame is that it was here, in 1914, that stainless steel was first made into cutlery. Since that time it has been in continuous use by a number of metal working businesses.

1.1. Ethos and Vision for the Works

Portland Works is more than a collection of businesses. It is a unique centre of creative arts and industry, sustaining traditions of craftsmanship and innovation in ways that engage with twenty-first century developments in technology, art and design. It represents the kind of space and community of makers that is disappearing from our cities, but is vital to sustaining creativity and a good quality of working life. Our vision for the future is that Portland Works will be a physically sound, fully-occupied building owned and managed in a democratic way by its tenants and supporters. It will provide affordable workshops and studios for craftspeople and the creative industries and for small business start-ups.



1.2. Key objectives for 2014-2016

Our key objectives for the next two years (2014 to 2016) are:

Financial and governance

AIMS	TARGET	STATUS IN APRIL 2014
Increase rental income to £65,000 per annum.	March 2016.	Rent review completed plus plans to extend amount of rented space
Transfer current loans to a mortgage with an ethical bank	Mortgage secured by 2015	Discussions progressing with one bank
Maintain a full Board of Directors with suitable skills	Annual skills audit to highlight skill shortages	Full Board at present with range of skills and experience
Support and motivate volunteers to help fulfil our aims	30 volunteers in Talent Bank; biannual events and regular training sessions organised	Talent Bank created, 10-15 volunteers involved weekly. Induction of new directors & volunteers

Building

AIMS	TARGET	STATUS IN APRIL 2014
Make the building wind and watertight.	Repair all roofing by Aug 2014 and broken windows by 2015	Log of roofing issues made, Block E underway.
Redevelop and re-let currently unused and underused space	2000 ft2 including the creation of 5-10 small units businesses by 2016	Plans drawn up for redevelopment of Block A first floor.
Complete the submission of a Heritage Lottery Fund application for renovation	Complete Stage 1 application by September 2014, Stage 2 by June 2015	Initial application to HLF completed

Business

AIMS	TARGET	STATUS IN APRIL 2014
All tenants on standard leases and fair and consistent rents	All tenants on way to new rents from April 2014. 75% of tenants on new leases by July 2014. Rent review by 2018.	Rent review started in early 2014 and new lease in use
Develop PW brand	10 products/services made in PW displaying or using the brand by 2016	5 businesses already using brand
Create a 'Makers' Lab' to support community enterprise and the sharing of skills among tenants.	Programme of events planned by April 2014. 100 people using Lab by 2015.	Space created, some equipment in place.
Raise our profile as a community enterprise among different audiences	6 local press articles per year	Extensive press coverage, local and national, to date
Support small scale manufacturing	1 new start up per year	Prioritise renovation to support this. Promoting collaboration between makers
Maintain a high level of occupancy of at least 95%	At least 95% of currently lettable area	Currently 85% occupancy of currently lettable space
Develop a mentoring programme for makers	2 businesses being mentored per year	Experience of supporting cabinet maker

Education and Culture

AIMS	TARGET	STATUS IN APRIL 2014
Deliver a programme of educational projects.	Support three post-16 students in the next two years	Student projects with both universities and links with College
Deliver a programme of community events for the public and professionals to engage and learn.	2 Open Days plus 1 social event per year	Strong track record of running open days and social events
Celebrate the centenary of the production of stainless steel cutlery at Portland Works (in 1914)	Organise specific event on the centenary theme. Promote media coverage of centenary	Planning started for Cutlery Fair.
Rebuild our website to reflect the development of the building and its community	Website complete by June 2014	Support from Hallam University students

Balanced Scorecard

This diagram sets out our immediate, medium and long-term objectives in the form of a 'balanced scorecard' reflecting our four principal areas of activity.

	Business Model	Organisational Development	Social Return	Financial Return
Now	Make building wind & water tight Plan redevelopment	486 shareholders Advisory group Working groups Board of Directors	Affordable space Mix of tenants Events	£50,000 p.a. rental income £267,000 share capital £200,000 loans £100,000 bonds
Soon	Rent review	Recruit new Directors Review governance structures Talent bank	Workplace training Mentoring programme SROI system Cultural offer	Mortgage replaces loans
Later	Fully occupied Full refurbishment		Apprenticeships Makers' Lab	£75,000 p.a. rental income Up to £1 million grant funding

1.3. Options for Development

Portland Works has not had any infrastructural investment for many years and as a result most of the roofs leak, most units have windows that do not keep out the wind and the rain, and there is very little in the form of insulation or heating. In an ideal world, we would undertake full renovation of spaces on a unit by unit basis, as they became available. However given the scale of the job in hand this would be very expensive. The options for organising this work are as follows:

Option 1. No grants available, rental income only

In this scenario we could cover the cost of running the building but we would have no capital to improve it. So, although we would in theory be solvent, the building would continue to deteriorate. Therefore this option is financially unsustainable and we cannot plan to follow this.

Option 2. Limited grants to weatherproof and bring spaces into use

(c. £500,000) This assumes that we will secure sufficient grant funding to repair all the roofs, repair or replace some windows, bring all unused spaces into use and to carry out work to ensure that the building is Health and Safety compliant. This scenario would increase our rents to the maximum (within our target uses) whilst enabling repairs that cause minimum disruption to our existing tenants.

Option 3. Full weatherproofing and space development

(c. £1,000,000) The focus of this option is to renovate areas beyond the basic level of repair, thereby securing the heritage of the building more fully than Option 2. The building would then be fit for long-term use without requiring a continuing programme of repairs.

Option 4. Full renovation

(c. £3,000,000) In this option we would secure grants to cover renovation to a high specification, as detailed within the Cold Spots survey, which would lead to a fully renovated building. However, this would be difficult to achieve whilst keeping our tenant businesses in operation and rents affordable whilst the renovation programme is under way.

Given the above, our conclusion is that Option 2 or 3 would be preferable.

Options 2 and 3 would cause minimal disruption to existing income whilst offering opportunity for increased income through new spaces. At the same time, they would lead to improvements in the working environment of many of our tenants, and enable us to support new businesses by providing small units for start-ups. For prudence, however, our financial forecasting (Section 4) is based on Option 1, plus a very limited degree of fund raising until rental income is raised to cover annual costs.

1.4 Social and Educational

The options for meeting our social aims are varied, but at this stage we have identified them as including:

- Mentoring and/or apprenticeship schemes
- Business start-up support
- Training and education in relation to heritage and metalworking
- Supporting volunteers
- Engaging with our local community
- Hosting arts and cultural events
- Engaging with other Works run under similar principles

We feel that the options for meeting these aims, set out below, are grouped according to the resources or capacity available to us.

OPTION	DESCRIPTION
Low Resource	This would be the status quo, i.e. with a group of volunteers and one part time (0.7 FTE) manager. So far this has enabled us to support a team of volunteers who regularly carry out practical renovation tasks and to run open days and other community events at least twice a year
Medium Resource	This would involve us developing more structured collaborations with partners, such as the two universities, and museums and businesses in Sheffield. In order to make more use of our partnerships with other organisations, we would need to make them more structured than they currently are, given our limitations on staff and volunteer time
High resource	In this scenario we would attract funding specifically to support our educational work. This would enable us to be pro-active, and bring the Works to new audiences with a regular programme of events, linked to other arts, cultural and educational institutions in the city and region. This would require more staff or volunteer input to develop and manage these activities

Our conclusion is that, without any additional funding, Option 2 is currently the most appropriate for our organisation, as it enables us to make the most of our existing networks and volunteer time and requires the least management and resources.



Section Two

Policy Context

Policy Context

As a social enterprise whose principal commercial activity is the provision of work space to manufacturers and artists, the Society fits in well with current policy from national to local levels. Consequently we intend to take advantage of any opportunities to apply for grant funding to strengthen the business, for example 'Heritage Enterprise' grants offered by the Heritage Lottery Fund and the forthcoming 'Power to Change', to be launched by the Big Lottery in 2014.

2.1 National Policy

- Planning: National planning policy emphasises the use of land for sustainable economic development, and also the decentralisation of planning decisions to the local level.
- Economic: The trajectory of national economic policy is to support private sector development, for instance through reduction in regulation on small enterprises.
- Voluntary sector: In recent years national policy, supported by funding, has been to encourage voluntary sector organisations to become less reliant on grants and to generate funding for their activities through trading. In addition there has been a strong emphasis placed on the creation of co-operatives and other mutuals, as models for business activities with a charitable basis.

2.2 The City Region

The key strategic plan that will shape the Portland Works' policy environment in the coming decade is the Sheffield City Region Growth Plan, the draft of which was produced by the Local Enterprise Partnership (LEP) in 2013. The Plan emphasises private sector-led growth, and the role of the LEP and local authorities in supporting the creation of new enterprises and jobs in manufacturing and the creative and digital industries. The Plan and its associated Independent Economic Review stress the importance of small and micro business in terms of their contribution to the economic sustainability of the city.

Portland Works can contribute effectively to employment, innovation, skills, conservation and inward investment targets, in addition to the high level ambition to make Sheffield a special place.

Section Three

Legal Structure & Governance



Legal Structure & Governance

3.1.1. The Society

Portland Works is owned and managed by a 'community benefit society' (previously 'Industrial and Provident Society') the formal name of which is Portland Works Little Sheffield Ltd. We usually refer to this as 'the Society', 'the project' or simply 'the Works'. Being a community benefit society means we have members who have invested in the organisation for social rather than purely financial reasons, and that we provide benefits for the wider community beyond the membership. These benefits are captured by our aims (set out in Section Two above). In early 2014 the Society had 486 members, with a collective investment of £265,745 in the Society. Their influence is felt informally through personal contact, but also formally at the AGM. Their opinion is also sought for major policy decisions.

Our FCA registration as a 'community benefit society' recognises that we have charitable purposes, although we are not a 'Registered Charity', which is a designation given by the Charities Commission.

3.1.2. The Directors

Responsibility for running the Works and taking care of the members' investments rests with the Directors. There are up to twelve Directors, elected by the membership at the Annual General Meeting for a three year term of office. Any member is eligible to stand for election. Our Rules require that at least two of the Directors must be tenants of the Works, but that tenants can never be a majority of the Directors. At the first meeting after the AGM, the Directors elect a Chair and a Treasurer, as well as any other 'officers' they think are necessary.

The current Directors, elected in September 2013, are:

Nikky Wilson (Chair), Stuart Mitchell (Deputy Chair; tenant), Steve Connelly (Treasurer), John Clarke, Paul Denial, Julie Eckford (co-opted October 2013), Mark Jackson (tenant), Peter Marsh, Geoff Marston, Derek Morton, Nuala Price (tenant) and Julia Udall (stepped down May 2014).

See Appendix II 'Portland People' for profiles of Directors, manager and long-term volunteers.

3.1.3. Management

Day to day running of the building and managing the building projects is in the hands of the Society's only paid member of staff, a part-time Building Manager. His line manager is the Chair. He is also a member of relevant sub-groups, and has periodic meetings with a small strategic planning group comprising the Chair, Deputy Chair and Treasurer.

The Steering Group, comprised of Directors and other volunteers, decides major issues of strategy and expenditure, creates the Society's annual strategic plan, and is where new ideas for the project get discussed. Much of the detailed planning and managing of the Society's

activities is done by five sub-groups; each sub-group is coordinated by a Director and meets every one or two months.

These are currently:

- Buildings Development
- Building Management
- Business, Education & Culture (BEC)
- Marketing, Events & Fundraising (MEF)
- Finance, Legal & Governance (FLaG).

These activities are guided by the Society's annual planning cycle, which reviews objectives and sets targets for each area of work. The sub-groups report progress to the Steering Group at its monthly meetings and bring new ideas to it for discussion and decisions where the issues are significant or go beyond the annual plan. They are responsible for delegated budgets, and there are detailed rules about how much they can spend without authority from the Steering Group.

3.1.4 Monitoring

We constantly monitor our progress and the open nature of our management structure encourages questioning and accountability. There are two main aspects to measuring our performance as a business and social enterprise; the financial sustainability of the organisation and our social and developmental aims.

3.1.5 Financial monitoring

We monitor rental income and the amount of space that is rented/vacant, in order to ascertain if we are meeting financial goals and also determine when we need to act to find new tenants to maintain high occupancy rates and rental income.

Financial monitoring is conducted at several different levels within the organisation;

- The Finance, Legal & Governance sub-group (FLaG) reviews all income and expenditure at monthly meetings,
- The Treasurer reports a summary of income and expenditure to directors and members at monthly Steering Group meetings. In addition to this more detailed figures are provided on a quarterly basis, for analysis and as a decision-making tool.
- Other sub-groups are required to monitor their own budgets and take note of any financial decisions made by the Steering Group which affect them.

All financial information is used to inform an annual budgeting process in which directors and other active members of the society take part.

3.1.6 Social monitoring

As a relatively new business, we have not yet been able to set up systems to monitor our social impact but several Directors are keen to explore how we might employ SROI (Social Return on Investment) methodology to enable us to do this more precisely. We will investigate this in the next two years and develop a system of data collection that will enable us to track social gains and achievements. This information will also feed into the annual planning process, in order to help us determine future actions.

3.1.7. Volunteers

Volunteers play a vital role in the project. We therefore will make provision to recruit new volunteers and support existing ones to enable them to continue their involvement. This happens in the following ways:

- New Directors and existing Steering Group members are offered an induction after the AGM
- Volunteers engaging in practical renovation tasks are given a short induction and the opportunity to specify the type of work they feel confident to carry out.
- Volunteers in sub-groups and the Steering Group are asked to contribute towards annual plans, setting goals and targets for the organisation. We hold an 'away day' to do this.
- We will undertake a skills audit of our shareholders in 2014 to establish whether there are more opportunities we can offer for them to be involved.

Much of our volunteer recruitment takes place through public events, where visitors become interested and enthused and in turn offer to help. Others contact as a result of publicity. We have a policy to organise, train and support our volunteers.



3.2. Products & Services

3.2.1 Managed workspace

Our core 'product' is managed workspace for rent. We have a total floor space of 30,150 ft² including about 1,000 ft² of common space, leaving 29,106 ft² (approx. 2,700 m²) of rentable space. There are currently 47 units in total, with 26 units on the ground floor, 14 on first floor, and 7 on second floor. Under the current configuration these range from 116 ft² to 1,864 ft². The average is just over 600 ft² or 57 m². The units are divided into:

- Less than 200 ft² - 3 units
- 200-299 ft² - 6
- 300-399 ft² - 6
- 400-499 ft² - 8
- 500-599 ft² - 3
- 600-699 ft² - 5
- 700-799 ft² - 2
- 800-899 ft² - 3
- 900-999 ft² - 4
- 1000+ ft² - 7

We currently have 25 tenants, with two more people sub-letting with our permission, plus a collective of five artists using one space. Several tenants currently rent more than one unit. At present our rents range from £0.90/ft² to £4.23/ft², which are levels that we inherited from the previous landlord.

We are working on a more consistent pricing policy that will see rents range from £2.50 per sq. ft. per annum for larger units, to around £4 per sq. ft. per annum for smaller units. This review will be phased over four years for existing tenants. By Year 5 of operation (FY2017-18) the currently let area will have a potential value of £69,000 per annum, once all tenants are on the new pricing structure (for more details see Financial Section 4 below).

3.2.2 Potential for development

In early 2014 the occupancy of the Works was approximately as follows:

A: Currently rented: 85%

(of which, currently rented but under-used & targeted for development: 5%)

B: Vacant and under development: 10%

C: Vacant and only lettable following grant-funded development: 5%

Therefore there is potential in about 15% of the Works for development of vacant and underused spaces to increase our income.

Other space/income sources:

We are converting two basement rooms into a communal space that can be hired by tenants and external people for short term uses. We also have had sporadic expressions of interest in using the Works as the site for photography or film shoots.

3.3. Market demand

As an established business, Portland Works currently provides rented space for over 25 small businesses engaged in a variety of creative and manufacturing activities. It is an architecturally appealing building with an attractive ethos and a high rate of occupancy for the last ten years. Since becoming owners of the building we have developed a list of around 30 potential tenants who have made enquiries about renting space, even though we have not advertised.

3.3.1. Marketing

We have a strong brand identity, driven by history and presence. This has been heightened as a result of our campaign to raise funds to buy the building through Sheffield's first community share issue, giving us a high profile within the city and won support from local councillors, our local MP and several celebrities. As the building is currently near capacity in terms of occupancy, we have not yet made attempts to advertise space. However, as refurbishment proceeds and new units become available, we will target appropriate businesses on our 'waiting list' and also advertise more widely, on our website, through social media and in local press and radio.

The focus of raising our business profile will be to:

- Develop a greater presence in social media and in external documents such as policy or publicity produced by other organisations
- Increase the number of enquiries from prospective tenants
- Engage in local partnerships.

The focus of raising the profile of our community programme will be to:

- Organise at least three community events in both 2014 and 2015
- Record numbers attending events and customer satisfaction
- Monitor press coverage.

Communication with supporters and shareholders is a vital part of maintaining support for the project. We produce a newsletter three times a year to keep them informed on progress and new developments and send occasional emails to highlight major successes (such as receiving the 2013 'Heritage Heroes' award from the Heritage Alliance). We regularly update the News section on the website and also maintain a high profile in the local press, with Portland Works stories appearing at least four times a year

A photograph of two men in a meeting. The man in the foreground, wearing a dark striped shirt, is leaning over a table and pointing at several small, colorful cards laid out on the surface. The man in the background, wearing a light-colored striped shirt, is looking on with a thoughtful expression, his hand near his chin. The table is covered with various cards, some with text and some with images. There are also mugs and papers on the table. The scene is set in a brightly lit room with a white wall in the background.

Section Four

Financial Planning

Section 4 Financial Planning

4.1. Initial financial position

The Society purchased the building on 28 February 2013 for £390,000. Through our campaign we raised:

- Shares purchased by the public ('community shares') £259,195
- Loan from the Architectural Heritage Fund (3 years at 7%) secured on the building £200,000
- Short term (1-3 years; 1, 3 and 5%) unsecured loans from the public ('community bonds') £61,000
- Grant from Key Fund £5,104
- Miscellaneous donations £4,884
- Rental income (to Feb 2013) £5,272.

Rental income in the first year of trading was approximately £53,000, with an additional £14,400 in grants and donations. Outgoings were approximately £43,000 capital expenditure on the building, £32,000 on repairs and maintenance, £37,500 on the overheads of running the organisation and building, and £18,000 in costs of capital (principally interest on the AHF loan).

4.1.1 Ongoing Position

The first six years (FY 2013-14 to FY 2018-19) are the establishment phase, focusing on urgent capital expenditure to safeguard the building, increase rental income, and repay the short term loans used for the purchase. During this period, predicted annual cashflow fluctuates and is negative in some years, with capital used to cover the shortfall. Under current plans FY 2018-19 is expected to be the low point, in which we will maintain approximately £17,000 in reserves. From FY 2019-20 onwards cashflow will be more stable, and we will remain above our target reserve figure of £20,000 from 2020-1.

At the end of the establishment phase the costs of running and financing the building will be around £72,000, and rise gradually thereafter. So it is clear that income must rise significantly from the existing level to meet this. Below we detail the two-pronged strategy for raising income, with a combined target of £77,000 in FY 2017-18. As a result by FY 2019-20 costs will have reduced to below income, and the business will start to generate regular surpluses over and above the amounts required to service our long-term debt.

It should be noted that we expect to finance major capital works from grant income, as it would be impossible to generate the sums necessary to restore the building from existing

capital and rental income while retaining our core social and economic aims of providing low-cost work space. However, following the logic set out in Section One, above, we recognise that the urgent need for repair and renovation work to safeguard the building physically, extend the lettable space, and provide decent working conditions for our tenants demands expenditure which exceeds the capital we raised during the purchase campaign. We therefore intend to raise further funds, principally through grants but also through donations and further share sales. The FY 2014-15 target for this is £26,000, and we have budgeted for ongoing fundraising to achieve £6,000 per year (at 2014 prices) until the end of the establishment phase, and £2,000 each year from then on. (Total donations in our first year of ownership, FY 2013-14, were approximately £3,500, achieved with little fundraising effort.)

4.1.2 Annual Capital Costs

Annual capital costs fluctuate predictably for the first six years. In the first three years they result from the short term loan from the AHF (of £200,000 at 7% interest); in FY2015-16 to 2018-19 from £102,000 of short term loans ('community bonds') from individuals (at 3.5% on average); and mortgage repayments (capital + interest at 4%) from year FY2016-17 onwards. As noted above, from FY 2015-16 onwards we would like to be able to make interest payments on our community shares. From FY 2018-19 we aim to be able to begin repaying share capital.



4.2 Share and Loan Capital

4.2.1 Loan Capital

The AHF loan is short term, to be repaid by the end of FY 2015-16, with a first interest payment in March 2014, and quarterly interest payments thereafter. We are currently negotiating with Unity Trust Bank to repay this and refinance our debts with a mortgage in FY 2015-16 at an expected interest rate of 3.5% above Bank of England base rate.

After a small repayment in FY2013-14 the community bonds will be repaid from FY 2015-18 at approximately £20-30,000 in each year.

4.2.2. Share capital

At the time of writing the Society has 486 shareholder-members. Shares have a fixed value of £1, and the minimum holding is £100 (ordinary members) or £25 (Portland Works tenants). While the principal share issues have been closed, we are permanently open to new members, with an upper investment limit of £1000, and intend to actively recruit new members in limited numbers.

It is the Society's intention to start paying interest on shares to protect the value of members' capital from FY2015-16 onwards. Repayment of share capital is scheduled from FY2018-19 onwards, starting at a low annual level and increasing.

The longest term financial plan for the business is for complete repayment of the community shares over a twenty-five year period. Repayments and interest payments are at the Directors' discretion and the bulk of repayments are planned to take place later in the life of the project.



Our planning assumes full repayment of all share capital. Since some investors may not redeem their shares in full this assumption is conservative from the business perspective.

4.2.3. Costs of capital

These include interest on loans, repayments and interest on community bonds, and share interest and repayments. Combining likely repayments of existing loans and costs of servicing share equity, produces capital costs of the order of £32-33,000 per annum from FY 2019-20. By this time all community bonds will have been repaid and all debt rolled up into a single mortgage.

4.2.4. Management and maintenance costs

Our routine costs are predictable and include (at 2014 prices):

Insurance: £4,700

Utilities (electricity, water, waste, telecoms etc.): £10,200

Administrative and office costs: £1600

Audit and FSA registration costs: £500

We also assume a routine maintenance (including Health & Safety) budget of £5000 (though in FY2014-15 and 2015-16 we have allocated £15,000 and £10,000 respectively, reflecting the need for one-off repair work.)

We employ a manager at 0.7 FTE (costing c. £23,000 in 2014-15), intending this post to be retained for the first 4 years. Thereafter we expect the manager to work 0.5 FTE. We anticipate that the major part of his task lies in these first years, and we assume grant funded project work would cover additional management costs if these are needed.

4.3. Income overview

The principal and predictable income source is rented business workspace. Other, less predictable, sources include donations and income from sales of merchandise (currently a few thousand pounds per year), major grant income to finance capital works, and possible future development of income-generating activities in connection with, for example, the Makers' Lab. In this section only our fundamental business income is considered.

4.3.1. Rent review

At purchase in March 2013 our annual rents ranged from £0.90/ft² to £4.23/ft². These rent levels were inherited from the previous landlord, and some had not been changed for 20 years. We have agreed the principles of a rent review to be enacted over the next four years, with the aims of establishing a fair and transparent system, increasing rental incomes, and avoiding placing undue stress on existing tenants.

The basic model will be:

- £2.50/sq. ft. per year for units over 1000 sq. ft.
- a flat rate of £720 + £1.70/sq. ft. per year for smaller units up to 1000 sq. ft.. The net effect is these smaller units are charged progressively from £2.50 (larger units) to about £5 per sq. ft. (smallest units).

Note: the Society is not VAT-registered; a minority of tenants will pay VAT on top of these rates.

Existing tenants will be brought to these levels over a four year period, and by FY2017-18 these changes alone will bring in rental income to around £65,000 per year (at 95% occupancy). If a tenant's current rent is above the newly calculated figure, their rent will be frozen until the following rent review (scheduled for FY2016-17). Average rental income from existing tenancies will rise to around £2.86 per sq. ft. by FY2017/18, compared to a current average of £1.83.

Note that this is based on no turnover in tenancies. Changes in tenants will usually result in an income rise above the forecast, as new tenants will go straight onto the new rent model.

4.3.2. Refurbishment

A further 4650 sq. ft. of space could be available to let following redevelopment. This is concentrated in three areas:

- Blocks A/E (2650 sq. ft. on the first floor, under development in 2013/14, to be available by mid-2014)
- Block B (600 sq. ft. on the ground floor, currently under-used, in four small workshops)
- Block D (1250 sq. ft. on the second floor, currently unusable due to lack of fire escape.)

The first two are to be refurbished using existing capital and small grants by the end of FY 2015-16, while the third will only be redeveloped if major grant income is received. The first two are therefore factored into the cash flow presented here, and will together generate a net gain in income of about £12,000 by the end of FY2015-16.

There are also a number of small spaces (approx. 1000 sq. ft. in total) that are currently under-used and for which low rents are paid. It will be our policy to encourage tenants to give these up in order that we can re-let them as workshops. The additional income from these spaces is not included in our financial forecasting, as it will be relatively minor and unpredictable.

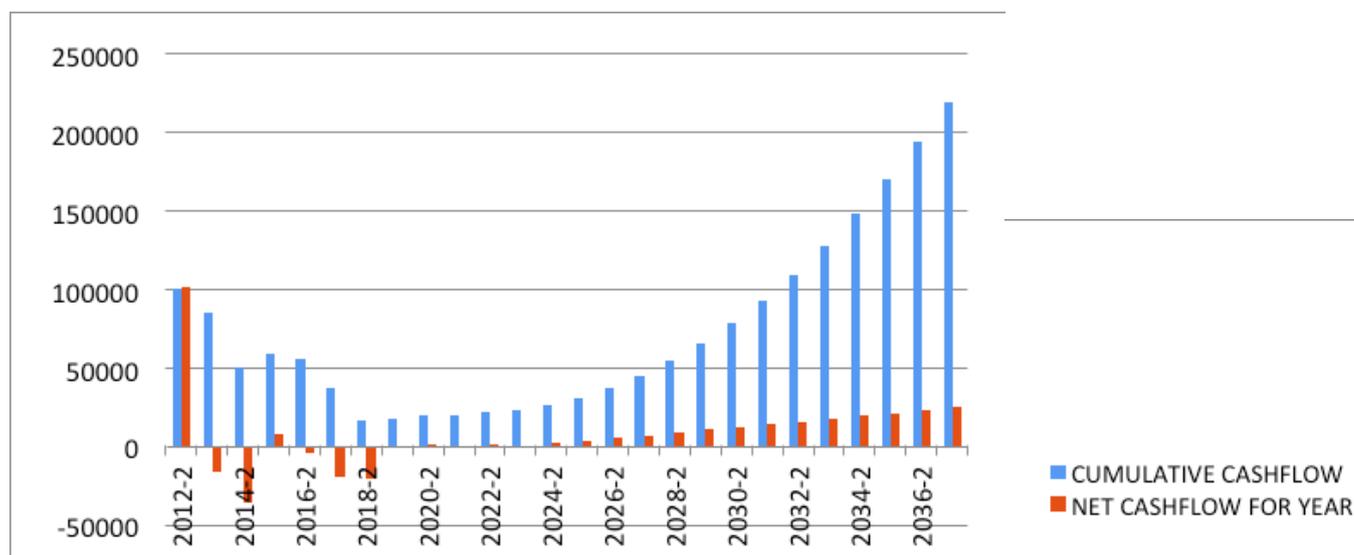
The cashflow forecasting also assumes that a collection rate of 95% will be achieved.

4.3.3. Contingency fund

We aim to maintain a £20,000 contingency fund. On current predictions this will be feasible in all years apart from FY2018-19 and 2019-20, when our target is £17,000.

4.4. Cash flow

This table shows a summary of our cashflow forecasts for the first ten years of trading.



CASHFLOW SUMMARY: 10 YEARS (FOR REVISED BUSINESS PLAN AND BUDGET 2014-15)

Financial Year		2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
INCOME	Rental income (net @95%)	5,272	52,549	57,517	65,254	72,758	76,919	79,226	81,603	84,051	86,573	89,170
	Non-rental income (grants and other fundraising)	9,988	14,400	26,000	6,180	6,365	6,556	6,753	2,000	2,060	2,122	2,185
	New capital (shares, bonds, major loans)	520,195	48,550		250,000							
	TOTAL INCOME	535,455	115,499	83,517	321,434	79,123	83,475	85,979	83,603	86,111	88,694	91,355
OUTGOINGS	Total capital spend	390,000	63,000	51,500	10,000							
	Running costs (overheads without maintenance)	37,731	37,572	39,702	40,893	42,120	36,174	37,259	38,377	39,528	40,714	41,936
	Building management	6,263	12,000	15,000	10,000	8,000	8,240	8,487	8,742	9,004	9,274	9,552
	Total capital costs annual		18,340	12,600	252,106	32,267	57,577	60,346	31,766	31,503	33,772	33,317
	Corporation tax paid							152	3,813	4,010	4,211	4,433
	TOTAL OUTGOINGS	433,994	130,912	118,802	312,999	82,387	101,992	106,245	82,698	84,046	87,972	89,239
NET CASHFLOW FOR YEAR		101,461	-15,413	-35,285	8,434	-3,264	-18,517	-20,265	905	2,065	722	2,116
CUMULATIVE CASHFLOW		101,416	86,003	50,718	59,152	55,888	37,372	17,106	18,011	20,077	20,799	22,915

A tall, cylindrical brick chimney stack stands prominently in the center of an industrial courtyard. The brickwork is weathered and shows signs of age. In the background, a multi-story brick building with several windows is visible. The sky is a clear, pale blue. The overall scene suggests an industrial or historical site.

Section Five

Analysis of risk

Analysis of risk

RISK	LEVEL	IMPACT	MITIGATION
Tenants leave due to disruption from renovation work and rent rises	Low	High	Plan renovation work carefully, pitch rents at right level, continue to improve building fabric. Market available space. Support new tenants through a business start-up programme.
Fire	Medium	Medium	Extend fire alarm system, improve fabric to reduce impact of fire. Ensure rental income is insured against losses.
Failure to secure capital funding to repair roofs	Medium	Medium	Use our own cash reserves to carry out essential repairs. Build relationships with funders.
Failure to secure capital funding to renovate fully	Medium	Medium	Prioritise spending using information from Cold Spots survey. Continue using volunteers to renovate slowly.
Repair costs higher than anticipated	Medium	Low	Include higher costs in any grant applications.
Failure to replace AHF loan with affordable mortgage	Low	High	Develop relationship with mortgage provider.
Shareholders wish to withdraw money early	Low	Low	Financial planning makes provision for this and limits our liability to repay
Rising inflation	Medium	Low	Financial planning incorporates inflation sustained at 3%. Significant rises above this would need to be dealt with through a rent review.
Competition from other buildings	Medium	Low	Maintain good relationships with existing tenants and sustain the unique characteristics of the Works that make it attractive.
Volunteers leave	Medium	Medium	Develop strong volunteer support. Collective ethos maintained through events and good communication.

A woman with dark hair, wearing a dark short-sleeved shirt and a striped apron, is focused on painting a large artwork on a board. She is holding a black paint tray in her left hand and a brush in her right. The workshop floor is cluttered with various items, including a yellow bucket, a blue bag, and a wooden chair. A can of paint and its lid are on the floor near her feet. The background shows wooden framing and a window.

Section Six

SWOT & PESTLE analysis

SWOT Analysis

STRENGTHS	ACTION
Strong ethos in group	Ensure an ethos of transparency and openness is maintained throughout the organisation.
A large pool of willing and skilled volunteers	Volunteer coordinator ensures volunteer skills and interests are matched to appropriate tasks. Volunteers are given training and there is ongoing recruitment
Strong media support and a high public profile locally	Maintain contacts with local media and develop new ones with national organisations through a campaign
Positive links to funding bodies and experience of researching and making funding applications within the group	Use our network of personal contacts for advice and support when making applications. Develop fund raising skills within a larger pool volunteers.
Existing underlying income stream from rents	Sustain rental income and increase it.

WEAKNESS	RISK	ACTION
Poor state of repair of the building	High	Commission professional surveys and seek advice. Prioritise repairs to deal with the most urgent ones.
A backlog of health and safety issues to deal with	Medium	Develop and deliver a programme to tackle issues, based on professional advice; conduct annual reviews of H&S policy and risk assessment documents.
Grade II* listing – statutory requirements result in more expensive renovation costs and more bureaucracy	Medium	Seek advice from SCC's Heritage Officer as well as English Heritage and other experts. Obtain a Heritage Partnership Agreement to reduce the number of occasions when Listed Building Consent is required.
Poor energy efficiency in the building at present	Low	A study has been commissioned from an expert; recommendations from this will be incorporated into future funding applications.

PHOTO BY HERBERT HOUSLEY

OPPORTUNITY	ACTION
Increasing and improving lettable space	Apply for grants to fund repairs
Improve relationships with existing tenants	Regular communication with tenants, transparency of information
Introduce secure tenancies, fair rents	A panel of tenants and directors has been set up to conduct a rent review and introduce contracts between the Society and tenants
Offering marketing support for existing and new businesses	Develop the Portland Works brand and our website to help tenants market their products
Set up a Makers' Lab in the Works	Allocating a space within the Works where tenants and external businesses can share skills and knowledge
Preserving and highlighting the heritage	A Conservation Management Plan has been commissioned and will guide future redevelopment within the Works, networks with relevant institutions will be maintained
Developing educational opportunities	Apply for grants to develop an education pack for local schools, provide short courses for adults on relevant craft skills
Demonstrate viability of social ownership model	Recording process for future

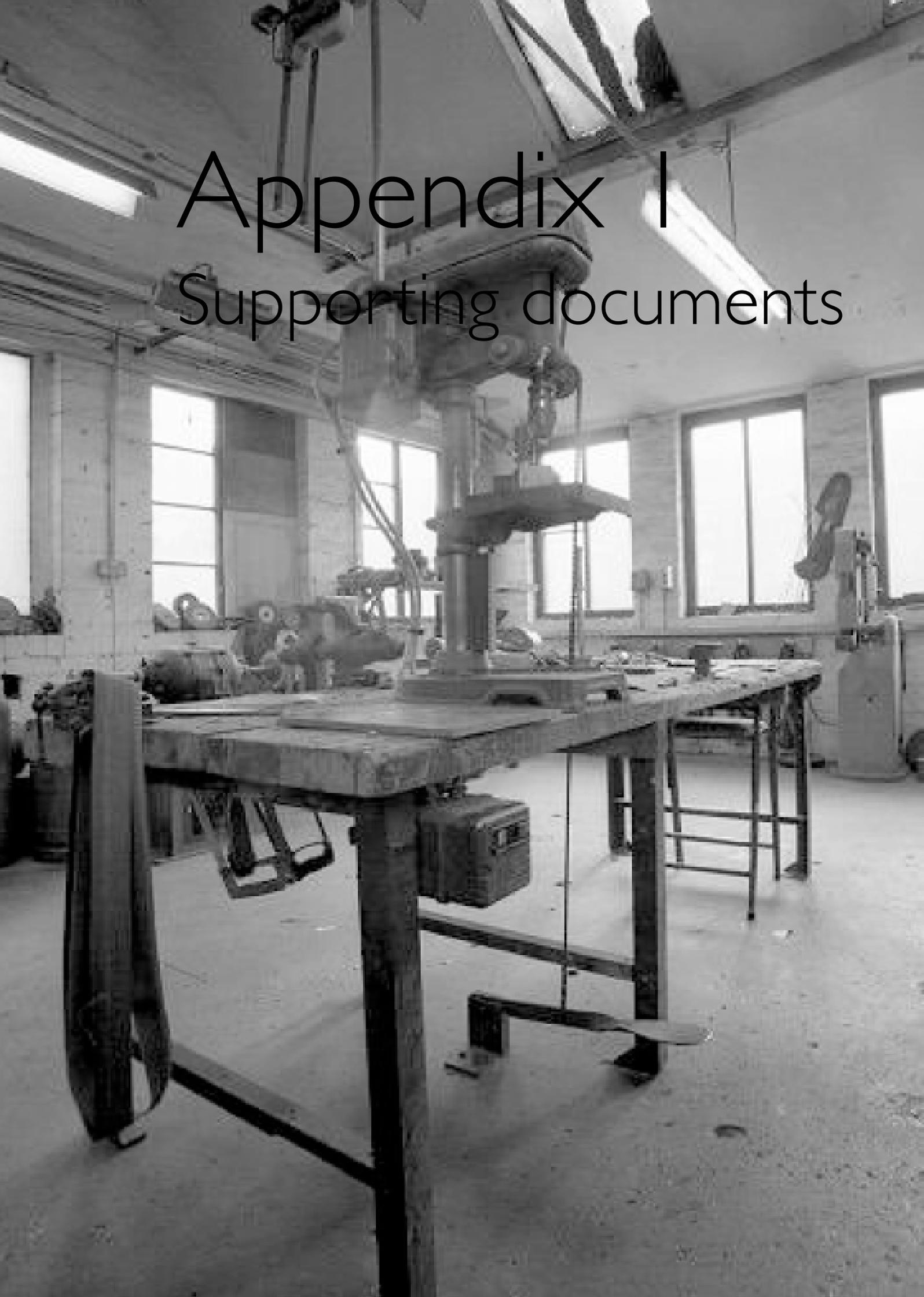
THREAT	RISK	ACTION
Inability to attract additional loan funds	med/ high	Approach range of lenders, ensure share issue is successful
Ability to comply with building regulations	High	Negotiate with English Heritage on criteria
Lack of transparency on business rates	Med	Establish rates bill for whole property [A2] + negotiation with tenants
Lack of uniform rental base	Med	Renegotiation process ensuring fairness

PESTLE Analysis

EXTERNAL INFLUENCE	NATURE OF CHANGE	IMPACT/ IMPLICATION	STRATEGY RESPONSE
Political	Increased government support for social enterprises/mutuals	More advice and guidance for PWLS, access to more sources of funding	Ensure we keep abreast of developments by maintaining links with knowledgeable people and organisations
Economic	Interest rates increase	The cost of repayment of our mortgage increases	Raise our rents, seek further charitable funds and alternative income sources
Social	Increase in Science, Technology, Education and Maths (STEM) focus in education in the city.	More demand for start-up space and support	Work with relevant post-16 providers to form partnerships
Technological	Increased emphasis on innovative and high-tech businesses within the region	Funding streams and support moves to high-tech innovation	Look for other sources of funding; form partnerships with high-tech businesses; attract high-tech start-ups
Legal	Changes in legal status for Community Benefit Societies	Could be positive if charitable status granted; could be negative if regulated as a 'for-profit' IPS	Keep abreast of developments; create charitable 'arm' of PWLS
Environmental	Changes in planning legislation make the area more/less favourable for housing development	Could hinder or support our ability to promote manufacturing in the John Street Triangle	Lobby for maintenance of industrial use in the area; build links with other businesses to strengthen the manufacturing base in the Triangle

Appendix I

Supporting documents



Supporting Documents

There are a number of supporting documents which we have drawn on in the development of this plan, and additionally we hope they will be of use to others in the development of their plans- or to link with us in mutually beneficial relationships.

The following publications and documents are available to download from the Portland Works website (www.portlandworks.co.uk).

1. Portland Works: Be part of Sheffield's Future. Original Business Plan; prepared by Portland Works committee members in May 2011.
2. Business Audit of Portland Works: conducted by Portland Works Committee members in January 2010, updated March 2011
3. John Street Business Audit: Caroline Jackson, 2010.
4. Portland Works, Randall Street, Sheffield: Building Survey Report: Bond Bryan, 2011
5. Re-Imagining Portland Works: Cristina Cerulli and Julia Udall, Antenna Press, Sheffield, UK, 2011
6. Taking Control: Case Studies of Collectively Conceived and Produced Community Facilities: Cristina Cerulli and Julia Udall (eds.), Antenna Press, Sheffield, UK, 2011
7. Portland Works Cold Spots Report, Studio Polpo

The following publication is available at most good bookshops and online.

8. Sheffield Pevsner Architectural Guide: Ruth Harman and John Minnis, Yale University Press, Newhaven and London, 2004.



Appendix II

Portland People



Portland People

Directors of Portland Works, Company Secretary and Building Manager, for the year 2013-2014. Our Directors, elected by shareholder-members, serve for three years but can stand for re-election. Therefore this appendix will be updated annually to reflect any changes.

DIRECTORS



Nikky Wilson - Chair.

Nikky is a community development professional with over 15 years of experience of planning and delivering community projects, many focusing on urban regeneration. She has experience of project management and funding, having successfully raised over £20,000 of grant funding from a variety of sources specifically for Portland Works during the early days of the campaign. She also has experience of developing new projects, managing budgets, recruiting volunteers and organising community events. She is keen to ensure that Portland Works is redeveloped in a way that makes it environmentally sustainable as well meeting economic and social goals.



Stuart Mitchell (Deputy Chair and tenant)

Stuart is both owner and director of "Stuart Mitchell Knives". He has been based at Portland Works for over 32 years, continuing a family business started by his father, producing hand crafted knives. He is deeply attached to the Works and is keen to continue as a tenant in the building, having been involved in the campaign to save the Works from its earliest days. Stuart became Deputy Chair in 2013.



Stephen Connelly (Treasurer)

As a Senior Lecturer in the Department of Town and Regional Planning at the University of Sheffield, Stephen brings links to Sheffield University and specialist planning knowledge. His research focuses on the governance of community organisations and public engagement with local government. He has particular knowledge of democratic process and how organisations function as well as skills in writing and critical reading. He was previously Chair of one of Sheffield's Workers' Educational Association branches and South Yorkshire WEA's Treasurer, and has a professional background in rural community development.



John Clarke

John has worked for British Telecom for over thirty years, with the last fifteen in data and network integrity, policing both British Telecom and other licensed operators usage against the Ofcom Charter. He took part in the archive photography project organised by English Heritage for the Millennium and has been involved in an attempt to save Abbeydale Grange Lodge. He has been a committee member of the South Yorkshire branch of the Communication Workers Union and the committee of the North East branch of the Institute of Electrical Engineers. John is passionate about Sheffield's industrial history and providing opportunities to educate people about it.



Paul Denial

Paul is a retired auditor with specialist knowledge of health and safety regulations as well as waste management and environmental procedures in an industrial context. He also has many practical skills and a good knowledge of some of the issues involved in carrying out repair work on a building like Portland Works



Julie Eckford (co-opted)

Julie has worked as an Information Governance Manager in the NHS for 12 years and 2 ½ years prior to that in Social Services. She has considerable experience of negotiating, facilitating information sharing and partnership working across health, social care, criminal justice agencies and the Third Sector. She has also been a governor of a local primary school for nearly two years and has participated in conservation work parties with the John Muir Trust. Prior to becoming a Director in 2013, Julie was an active member of the Steering Group, and assisted with organising several community events at the Works.



Mark Jackson (tenant)

Mark is both owner and director of the metal working business, "Squarepegs" (specially designed coat hooks for school cloakrooms) and a tenant at the Works for over six years. He has been involved in the campaign to save the Works since its beginning. His familiarity with the building and knowledge of the views of other tenants places him in a good position to bring tenants' needs to the committee.

Peter Marsh



Peter became involved in Portland Works as a result of a strong interest in the history and development of Sheffield and its industries, particularly steel. His professional background is social work. He is currently interested in innovation and entrepreneurship and how this can play a role in developing social gains. As Head of Department and Dean of Social Sciences at the University of Sheffield, he has run large organisations and built an environment that staff and students have flourished within. Peter brings a good knowledge of groups, the way they work and the way that individuals work best within them. He was Vice Chair of the Cabinet Office Mutuals Task Force for two years, helping develop a programme to support mutual organisations in public services.

Geoff Marston



Geoff is a director of Noel Village Steel Founder at Doncaster and also of local start-up company Forcasteels International. He currently runs his own consultancy company, SMITHWOOD Consultancy. Before retiring, he was sales director and then business development director at Sheffield Forgemasters, a company with a multimillion pound turnover. He has been Chair of the Shepherd Wheel Restoration Committee of the Friends of the Porter Valley, a local heritage project. He helped to secure £500,000 of matched funding from the Heritage Lottery Fund for this project. He has been involved in many other community projects in Sheffield over the years.



Derek Morton

Derek is a former teacher in Design and Technology, IT and outdoor pursuits; he worked for 35 years in secondary state education and is now retired. He was previously involved as a volunteer in a local Community Forum, has been a school governor and, for ten years, volunteered in a local group of the Woodcraft Folk. Derek helped form the Portland Works Committee in 2009 and chaired the group from early 2011 until September 2013. He was recently given the award of Heritage Hero by the Heritage Alliance.



Nuala Price (tenant)

Nuala has worked as an architect for 25 years throughout Europe, and as an artist for ten years, of which the past seven have been based at Portland Works. She was a member of the original core group that started the campaign to oppose converting the Works into flats. Her experience as an architect has given her a professional understanding of issues around the conservation and renovation of industrial buildings as well as a knowledge of health and safety and fire regulations. She is involved in many other community projects within Sheffield and is the Chair of 'Open Up Sheffield', an annual event showcasing the work of Sheffield artists across the city.

Julia Udall (stood down May 2014)



Julia is a director of community social enterprise architects Studio Polpo, with experience of working on listed metalwork buildings and community projects in architecture offices in both London and Sheffield. She is a design tutor for the Masters in Architecture and Masters in Urban Design courses at the Sheffield School of Architecture. This connection enables her to develop a strong and mutually beneficial relationship between the two organizations, bringing in funding and other resources to the project that have been important in the vision development of Portland Works. She worked for four years for Sharrow Community Forum, building skills in community development and empowerment, which will be useful in terms of meeting our heritage, educational and cultural aims.

COMPANY SECRETARY



Emma Green FCCA, DChA (Company Secretary)

Emma is a qualified Chartered Certified Accountant and is authorised and regulated by ACCA as a practitioner. She holds the ICAEW Diploma in Charity Accounting and is undertaking a Masters in Cooperative and Social Enterprise Management. Having worked in the private sector in taxation, auditing and business advice, she has now worked in the Third Sector for over 15 years, supporting organisations to manage and develop their businesses and conducting investment appraisals. She has also negotiated refinancing deals, won bids and tenders and developed risk management procedures. She has developed communication strategies, redesigned recruitment and knowledge management processes, and supported partnership development, quality mark processes (eg Investors In People and Matrix) and good governance.

BUILDING MANAGER



Colin Havard (Building Manager)

Colin Havard has over 15 years of experience working in the Third Sector organisations, specifically around community regeneration, community development, and social enterprise development. His career covers the public, private and third sectors, where he has worked as both practitioner and consultant. Colin has extensive experience of creating and managing voluntary sector organisations. He has particular expertise at delivering effective community development programmes on a local, regional and international level, with experience of managing projects utilising City Challenge, SRB, Objective 1, Pathfinder Neighbourhood Management and EU Leonardo funding. Colin has developed and delivered empowerment training programmes on a national and European level, utilising forum theatre and legislative theatre techniques to explore issues within communities.

Volunteers

Vanessa Roberts (Volunteer Coordinator)

Vanessa has worked in human resources and project management during a long career in the NHS. Some of the projects have informed strategy at both local and national level in areas of recruitment and retention, improving working lives, promoting diversity, career development, community engagement, work experience and reducing health inequalities. Organising career/recruitment events for the NHS and marketing strategies in recruitment drives developed her interest in marketing in general and experience in organising non-paid work placements. Her personal interest in the Sheffield cutlery industry through family history research led her to volunteer for the role of Volunteer Coordinator.

Chris Cooper

Chris was born and has lived in Sheffield all his life. His father was a railway engineer and his mother's family were owners of a long-established firm of cutlers and silversmiths. He retires in 2014, having been employed as a Surveyor with a small general practice firm of Chartered Surveyors in Sheffield. Much of his work has been involved with older commercial and industrial buildings and also with Sheffield Cathedral.

Anna de Lange

Anna is a former lay chaplain to Durham School with a degree in History & Archaeology and experience as a librarian, mother and church administrator. Anna has written a biography of Robert Mosley and his involvement with stainless steel innovation, as well as booklets on Christian worship. Her interests include family history.

Peter de Lange

Retired civil servant. Ministry of Defence (12 years). English Heritage (20 years), managing grants and advising on property. Secretary to the Northumbria Historic Churches Trust (part-time role) 2006-date. Member of Durham Diocesan Advisory Committee for the Care of Churches 2007-2011. Lay assessor AABC Register 2007-11. Member of Sheffield Diocesan Advisory Committee for the Care of Churches 2013.

Roger Farleigh

Roger retired from 39 years in the electronics industry, specialising in test engineering, quality systems, product assurance and sub-contractor quality surveillance. He was a director of a small Company Limited by Guarantee, operating in the heritage railway sector, dedicated to restoration, operation and maintenance of a steam locomotive, as a volunteer for over 15 years. He has practical health and safety experience. Roger assists with health and safety issues at the works and regularly volunteers at practical sessions.

Margo Huxley

Margo is a retired academic in the fields of planning and urban studies, with previous involvement in voluntary and community groups in Australia. She produces the quarterly Portland Works newsletter for members and supporters and contributes to the Marketing, Events and Fundraising Sub Group.

Tim Reynolds

Tim is a retired former director in a metallurgical engineering company and has considerable technical expertise in metals processing, particularly continuous casting. He also has experience in project and site management for large projects as well as business management in a contracting company and has been a valuable adviser on Health and Safety to the Society.

Carl Whitham

Portland Works Studio is the base of commercial photographer Carl Whitham. Born and raised less than a mile from Portland Works, Carl began as a forensic photographer, moved on to work with the Royal Photographic Society and subsequently set up his own studio in 1996. In the 18 years since then he has built up a reputation as a photographer for commercial, advertising and editorial channels. Much of his work focuses on the industrial sector where Carl's experience and technical ability allows him to produce creative, inspiring images in very challenging environments ranging from Sheffield steel foundries to UK manufacturing locations and European technical centres.

Martyn Waller

Retired from the Civil service in 2012 after 40 years working for the Dept for Work and Pensions, (previously Dept of Social Security). Held Inspectorate and Office Management roles throughout northern England, before moving into an HR Consultancy role. He has a keen interest in Sheffield's history and family connections to the cutlery industry via his great grandfather, who was a little mester. Martyn was one of the first members of the volunteer group and tends to get involved mainly in general maintenance



Appendix III

Support for the Project



Support for the Project

Since early 2010 high levels of support have been shown for the organisation and its aims, both in the city of Sheffield and further afield.

Financial support

Architectural Heritage Fund, £10,000

- 'Cold Spots' grant for planning detailed renovation and development work

Sheffield City Council

- Funds for the building condition survey and asbestos survey, £7000
- Funds for publicity materials, £250
- Funds for environmental survey, £900

South Yorkshire Community Foundation, £5,000

- Funds for Open Days in 2011

Sheffield Town Trust, £5,600

- Unrestricted funds to support activities leading to the building purchase

Freshgate Trust, £1,000

- Funds to support purchase process

University of Sheffield, £10,500

- Funds for a one-day Knowledge Transfer Workshop supported by business development advice from Dave Thornett
- Development of 10 Case Studies on community led projects
- Website development
- Design of branding, logo, publicity materials
- Fees for production of film documenting Knowledge Transfer Workshop

Individual donations, £3,000

- Unconditional funds

Pro-bono professional support

- Co-operative Enterprise Hub (funded by the Cooperative Group): General advice and drafting the Business Plan
- Studio Polpo Phased Plan Development

Emma Green FCCA, DCha: assistance with financial forecasting

- Alex Pettifer MBE, Sandalex Consulting: Advice & assistance with negotiation of purchase
- Richard Shaw FRIC: initial costings for renovation project
- Hugh Facey MBE, Gripple: assistance with purchase negotiations

Other 'in-kind' support

- Sharrow Community Forum: Provision of a meeting room (free of charge) and of advice on setting up the IPS, the campaign etc.
- Studio Polpo: Design of campaign posters, information boards, mobile archive unit.
- 00/: Architects, Bank Street Arts , Business Link, Conservation Advisory Group, Humberside CDA, S1 Artspace, SCEDU, Sheffield City Council, Sheffield Civic Trust, Sheffield University, Space Works, Studio Gedye, The Cultural Industries Quarter, The Young Foundation, Yorkshire Forward, Yorkshire Forward

News > UK news > Sheffield

THE NORTHERNER BLOG



Previous Blog home Next

Sheffield building's manufacturing heritage secured by community buyout

Portland Works, where stainless steel cutlery was first produced 100 years ago, is now in the hands of the craftspeople that work there after 450 people rallied to buy shares



Share 0
Tweet 0
g+1 0
Pin it 1
in Share 0
Email

Posted by
Tamsin Rutter
Thursday 7 March 2013
18:47 GMT

Exhibitions & Events

A number of artists and photographers held exhibitions to promote the original campaign and exhibited across the city including at Access Space, Castle Market and the University of Sheffield. Tenants also created and curated an exhibition at Bank Street Arts in 2011 which promoted the proposals and developed strong relationships within the campaign group. Photographers have generously given us free access to their images for the campaign groups use.

Galvanise festival: provided a city-centre shop window and liaison to develop demonstrations and open house, promoting Portland Works through showcasing its tenants..

We have hosted a number of incredibly successful events, ourselves and in partnership with others including Galvanise Festival, Sesnsoria Festival, Open Up Sheffield, Inside the Triangle. and the Centenary Cutlery Fair



Student work

Portland Works has facilitated a number of projects by both Sheffield's universities, involving significant tenant and volunteer input. Many of them have informed our vision development, enabled us to oppose the planning application for Change of Use, develop funding bids, or supported our business plan. Feedback from students and tutors has been extremely positive, providing excellent learning experiences through Civic Engagement.

University of Sheffield

School of Architecture

- Architecture Live Projects (MArch) 6 weeks full time Ave..12 students. "John Street Live" (2005), "A vision for the future of the Works" (2011), "Lighting, Signage and a Makers Lab" (2013),
- Architecture (BArch and MArch, Core Curriculum)
- Architectural Drawing Study, (2012) BArch, 50 Students
- Undergraduate Thesis (2011, 2014) BArch, 2 Students, MA Dissertation (2012) MArch, 1 Student, Architecture Masters Participation module October 2010.
- Architecture and Engineering, The John Street Business Survey, 1 student, whole summer
- Masters in Urban Design, The John Street Conservation Area (2011, 2012) 15 Students, 1 semester, Exhibited locally with over 500 attendees
- Masters in Sustainable Studies, Sustainable Portland Works (2012) 56 Students, 1 semester
- TUM, Munich/ MA Conservation, Day long Workshop, (2011) 30 Students

School of English

- Sense of Place (2011) 36 Students, Module

Archeology

- MA Archeology: Community Module students, site visit and workshop session (2014)
BSc Archeology: Second Year Project '3D Modelling of the works'

Journalism

- Engagement with stories from the works (2014) Various Student reports as part of Journalism MA, (2011)



University of Sheffield Enterprise

- Art Works (2014) Social Innovation Lab (2012,13,14) Small Works Project (2014)
-

Computer Science

- Web site work (2013,14)

Sheffield Hallam University

- Two Faculty of Humanities student placements in 2013/14 to provide support with publicity, market research, and website redesign.



Public expressions of support

Politicians and local councillors

MPs Paul Blomfield and Richard Caborn, and Councillor Jillian Creasy have given full support during the project's development. Former Council Leader Cllr Paul Scriven has given excellent support, linking us with relevant departments in the council. All local councillors are committed to the project.

Celebrities:

Richard Hawley, Ken Loach, Adam Hart-Davies, and Jarvis Cocker have written to support the project

Others

Sheffield University: Feature on the official University website and news.

Private individuals: Over 1400 people signed a petition against the planning application, 750 people attended seven Open Days 2011-2013



Media coverage

“...one of the biggest community buy-outs in the country should guarantee that the building where stainless steel cutlery was invented can continue to house craftspeople, who plan to teach their inherited skills to young people in Sheffield’

The Guardian, Feb 24th, 2013

In print: Since 2009 Portland Works and the campaign have featured in: The Guardian, The Sheffield Telegraph, The Yorkshire Post, Now Then and Exposed magazines and various online publications, including Indymedia, BBC News, and Guardian Northerner Blog.

On the air: Portland Works has been the subject of news and feature items since 2010 and into 2013 on: BBC Radio 4 ‘You and Yours’, Sky News, ITV Calendar News, BBC Radio Sheffield, BBC ‘Look North’, Sheffield Live, Radio Hallam, BBC 2 “Heritage Heroes” series – John Craven and Jules Hudson, February 2012, “Ade in Britain” ITV March 2013.



Origins of the Organisation

The origins of the Society lie in a voluntary organisation, the Portland Works Committee, which grew out of the campaign to save Portland Works. This was established in 2009 to oppose the then owner's intention to close the Works and convert it into flats. Set up by tenants with support from the local community-based regeneration organisation, Sharrow Community Forum, this quickly attracted a core group of local community supporters.

The Committee explored possible ways to develop an alternative future for the Works which would preserve and build on its existing uses. With support from the University of Sheffield, research was carried out into similar developments of historic buildings elsewhere and into the various potential financial models available. This culminated in June 2010 in a workshop, attended by supporters, researchers and a range of professional advisers from the social enterprise and regeneration field, to determine the future of the campaign and the project. The principal outcomes of the workshop were the decisions to establish a Community Benefit Society (incorporated in November 2010) and raise the money to purchase the Works through a community share issue.

This established us as a democratic organisation. We believe that, as an organisation for the benefit of the community, the Society should be a collective endeavour in which tenants and others with an interest in protecting this wonderful place can play an equal role. This is why we chose to become a Community Benefit Society – it means that anyone with an interest in supporting our endeavours can have both a financial stake and a voice in its governance by purchasing shares and so becoming a member of the collective.

The owner subsequently withdrew the planning application and in 2012 agreed a contract of sale with the Society for £420,000, payment to be spread over four years. This was subsequently re-negotiated in early 2013 to £390,000 cash, financed by £260,000 of share sales, a loan of £200,000 from the Architectural Heritage Fund and the remainder through a Bond issue to shareholders.

Following the purchase of Portland Works, the Society has begun to develop plans for the renovation of the building. We received a 'Cold Spots' grant of £10,000 from the Architectural Heritage Fund which has enabled us to commission architectural drawings and surveys to help us to prioritise future developments. We also commissioned Wessex Archaeology to produce a conservation management plan, to enable us to understand the importance of the heritage contained within the building and inform future repair and maintenance.

The process of establishing the Society and developing this Business Plan has been supported in many ways. We have been provided with a wide range of research and specialist advice, and support from the local community, council, politicians, and prominent members of the creative community. We have also benefited from grants from a number of funders. That so much support has been forthcoming, much of it provided without charge, indicates the widespread and strong belief in the importance of the Society's vision and aims. Complete lists of the surveys and research reports, and of support received, are available if requested.

the skills of craftsmen based at PW that we can charge for. The next stage is to introduce the 3D printing element, to explore how new technology can enhance and support the small makers, taking a lead from the Maker Movement in USA and allied to the FabLab and Repair Cafe ideas within Europe. Although it is unclear exactly where this might lead at present, we have the space to experiment and if we can run some commercial activities/workshops to help pay for running costs then we could create a model for small, sustainable social enterprise. But we can also join in the Repair Cafe activities being organised in Sheffield, link up with local organisations such as CADS and Access Space for joint events, and network locally with the likes of Stripping the Willow, Regather and Hagglers Corner.

It would be good to host workshops, run by volunteers or tenants or anyone who wants to show others how to make things. Some of these workshops would attract a charge, some not.

Derby Makers, for example, host a fortnightly evening as “a group of people who like making stuff, whether it be electronics, computer programs, knitting & fabrics, jam & pickles or anything else” and Portland could be home to something similar. The Makers Lab might leave the electronics to others and concentrate on metals and manufacturing but we do want to explore how new electronics such as 3D can be used to support and enhance micro manufacturing.

So basically it is a space with some equipment in it and a whole lot of support for making things, so make of it what you will. We have created the space, got some equipment sorted, but now we need people to help take it forward.

Contact Colin, 07900 613716 makerslab@portlandworks.co.uk



Acknowledgements

Photographs

A number of fantastic photographers have documented Portland Works and our activities over the past 6 years and have kindly given us free use of their images for the purposes of the campaign. Our thanks in particular to those whose photographs feature in this business plan: Eric Winnert, Anya Sutton, Helen Monroe, Martin Pick, Julia Udall, Colin Havard, Carl Whitham, Karl McAuley, Pixelwitch, Ronan Williams, Mark Parsons, Tom Hunt, Live Project Teams (2011, 2013), South Yorkshire Police. Please forgive us if there are any we have missed from this list.

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Plan Writing Team

The Portland Works Business Plan has been written by Stephen Connoly, Nikky Wilson, Derek Morton and Colin Havard, and approved by the Board of Directors June 2014.

Graphic design/typesetting, Julia Udall, 2014

