



Enterprise Centres Best Practice: The Ludgate Hub

Presentation of Good Practice

RATIO (Regional Actions To Innovate Operational Programmes)

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Outline:

- Setting the scene
- Challenges for growth and innovation
- Opportunity for Clustering & Collaboration
- Case Study Best Practice: The Ludgate Hub, Skibbereen, Co. Cork
 - Resources needed/ Evidence of Success/ Difficulties encountered
- Close & Questions

Our Goal



Regional Actions to Innovate Operational Programmes



Project Action Plan



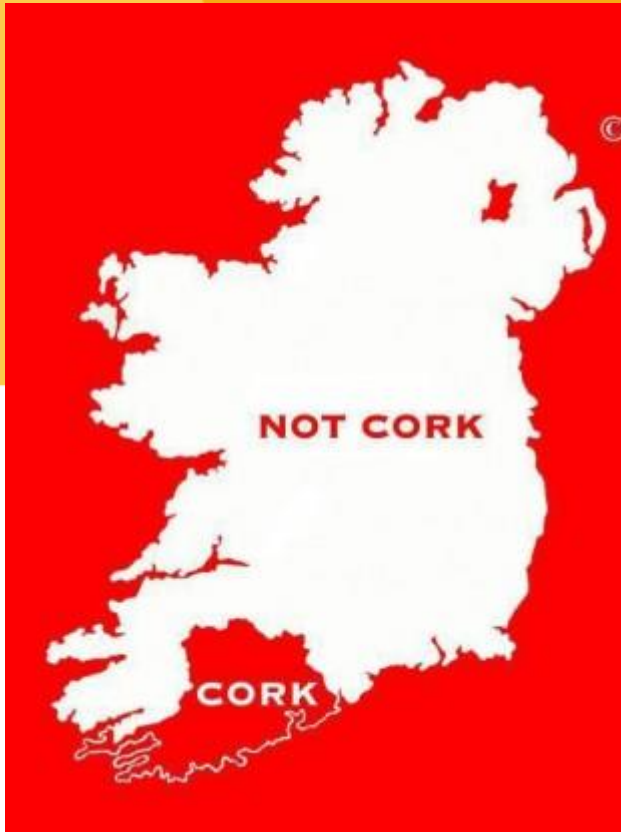
RATIO project - identify actions/ policy change to support growth of innovative potential across rural based SME's

Cork Chamber - focused on SME Competitiveness (Priority 3) of the South and Eastern Regional Operational Plan (SEROP)

Cork Chamber RATIO Action Plan - identifies actions that support, strengthen and diversify the current operating environment

- Headline opportunity areas: 1) Clusters and Collaboration, 2) Human Capital and 3) Access to Finance.

Setting the scene



“**Rural**” is **defined** as District Electoral Divisions (DEDs) with no population centre above 1,500 people.

- Population density is below 150 per sq. km
- Broadly refers to open countryside and **rural** villages.

Under the OECD **definition** (a variation of which is used by Eurostat) 70.5% of the state population is predominantly **rural**

Ireland is the most **rural** of the EU27 countries for both population and land area

Challenges for Growth & Innovation

TOP 3

1. Physical infrastructure (Broadband and Transport links)
2. Workforce (Retention & Access to Skilled Workforce)
3. Access to Finance/ Access to Markets

Opportunity for Clusters & Collaboration

- ✓ National Cluster Policy to support a diversity of cluster models and sectors
- ✓ Activating Rural / Regional Towns as Strategic Hubs
- ✓ Elevation of Enterprise Centres in National and Regional policy (SEROP)
 - advantages relatable to the TOP 3 challenges identified
 - drivers of potential (when technology enabled, adaptive and tuned into the growth needs of business & start-ups)
 - Vibrant, revitalised, empowered rural communities
 - Business growth, skills, professional progression unhindered by geography
 - Regional spurs for innovation and business growth
 - Less congestion for larger urban centres (such as Cork City and related high volume employment zones)
 - Quality of Life = shorter commute/no commute
 - Location becomes irrelevant = Technology enabled, competing on a global scale
 - Reversing rural rural depopulation

The LUDGATE HUB – Good Practice example

Skibbereen, West Cork (townland pop. <3000)
80km from Cork City

Responding to the potential of Skibbereen itself,
and rural towns/ villages around

Pre-existing challenges = skills attraction/
retention, economic dev & jobs growth

In 2016, The Ludgate Hub opens

- ✓ 'Not for Profit' initiated by local business people, opened 2016
- ✓ Offering coworking space, digital entrepreneurship incubator
- ✓ Connected to superfast 1GB broadband
- ✓ Town transformed into 'digital hub'



- ✓ Community orientated, member responsive, proactive to enterprise potential and needs
- ✓ Reversing the pop. decline
 - ✓ Creating sustainable economic ecosystem via digital entrepreneurship
- ✓ Now home to 23 entrepreneurs
- ✓ Facilitated creation of 100 direct jobs and 140 indirect jobs
- ✓ Aims to facilitate up to 75 people
 - 500 direct jobs
 - 1000 indirect jobs
- ✓ Skibbereen is Ireland's first and only 1Gb rural town now having the same broadband speed as Singapore.



Resources needed

- ✓ Financial: 84% was private funding (board members); 13% was private funding via corporate sponsorship; 3% was public money from a local authority funding grant
- ✓ Personnel: 2 x full time staff members, and 11 board members
- ✓ Annual budget: Approx. €120,000.00

Evidence of success

- ✓ Key successes: - 15 new members permanently located to West Cork with their families; 11 rural retailers now trading online; up to 25 co-working companies engaged per year
- ✓ The Ludgate Hub National Digital Week attracts approx. 1600 attendees annually to the region
- ✓ More than 250 people attend the hub / month. - The rural area is now more attractive to people and businesses
- ✓ €500,000 private seed fund now available to start ups in the Hub, with mentoring also available

Difficulties encountered

- ✓ Lack of skills locally to meet the needs of tech start-ups. The lack of government funding.
- ✓ Match funding was not provided by the Local Authority/
Government.
 - Monday announcement of €2million national Government funding (purchase & renovate a new building, deliver 390 new jobs by 2020, and facilitate indirect jobs)
- ✓ This was the first of its kind in Ireland so there was no format/
template to work from.

Potential for learning or transfer

- ✓ The Ludgate Hub is reversing the rural migration trend.
 - enabling the survival and growth of this rural community and the surrounding region
 - enabling the return of emigrants and the inward migration of professionals to the area
- ✓ Skibbereen now hugely attractive to digitally enabled businesses which need this high-level connectivity (e.g. web developers, designers, fintech, online services, video production)
- ✓ Alleviates housing pressure and congestion in urban centres
- ✓ Regional focal point, enabling
 - secondary/ flexible working
 - fresh synergies and entrepreneur projects to gain momentum in rural areas
- ✓ The Ludgate now contributes approx. €13m per annum to the local economy
 - Making a difference to surrounding small townlands around Skibbereen

Digital hub 'should be a blueprint for the rest'

Saturday, 27th October, 2018 7:10am



Members of Cork Chamber with Ludgate staff at the digital hub in Skibbereen last week.

CORK Chamber is urging the government to look at Skibbereen as a case study for other towns wanting to attract high-tech jobs.

Representatives of the Chamber paid a visit last week to The Ludgate Hub, the successful rural digital hub in the town.

Welcoming the delegation, Ludgate chief executive Adrienne Harrington said that Ludgate was 'a beacon for rural innovation' and has proven that with high-speed connectivity, location is irrelevant.

ENTREPRENEURS - LIFEBLOOD OF CORK'S ECONOMY

Chamber provides key ancillary supports for SMEs

Access to finance, building human capital and developing clusters.

These have been identified by Cork Chamber as three opportunity areas to support the current innovation ecosystem for regional SMEs.

Since 2016, Cork Chamber has been collaborating as sole the Irish partner in a project called Interreg Europe RATIO which has identified actions to support innovation in SMEs with a mainly rural focus (but with parallels that are also applicable to urban enterprises).

The Chamber's membership is made up of over 50 per cent SMEs, so naturally their success is

central to their focus.

Collaborating with regional stakeholders such as the county LEOS, the Ludgate Hub in Skibbereen, Mallow Systems Innovation Centre, MacroomE, the County Council and more, they've now come up with this set of three practical solutions.

Thomas McHugh, Director of Public Affairs at Cork Chamber, explained: "We believe there is a strong case for developing a strategic framework for clusters via a national cluster policy. We highlight the value-add of supported, collaborative business networks at local level and propose

the increased emphasis

on these, and their importance in connecting with more centralised networks.

"We also emphasise the opportunity of further developing the Enterprise Centre offering, to increase their effectiveness in meeting the needs of SMEs," he says.

A key point identified in the regional analysis was the capacity of rural based SMEs to attract and retain people with valuable skills. Discussions with stakeholders highlighted the importance for regional growth, innovation and competitiveness of policies and practices to help businesses attract, retain and develop a tal-

ented workforce.

Currently, the LEO network offers considerable support for skills development, particularly in the area of business skills through training and mentoring. Other training supports are available through the Skillnets programme.

However, Mr McHugh found that ancillary actions were needed to complement these supports.

"That might be targeted communications focused on the attractions of the rural areas in terms of quality of life. This, and the potential associated with developing HR-focused training courses via the LEO network for

SMEs to improve recruitment, retention and incentivising of employees is included within the recommendations for consideration."

Regarding access to finance, the third opportunity area identified in the project, Mr McHugh said. "The issues associated with accessing alternative and emerging sources of finance for entrepreneurship were at the forefront of discussions, particularly on getting high potential start-ups investor ready. With this we are proposing the development of training, advice and mentoring supports that prepare SMEs for private equity investment,



Thomas McHugh, Director of Public Affairs at Cork Chamber.

with a particular focus on business pitching."

He concluded: "We believe that in collaboration with our regional stakeholders we have developed a set of practical recommendations that have high long-term value to the continued development and strengthening of an innovative and competitive SME culture."

The completed recommendations will next be submitted to the Southern Regional Assembly ahead of the next round of EU funding for SMEs due in 2020 and the Chamber will advocate for the Assembly to be mindful of them when drawing up future policies.