BetaDen has already shown its potential for stimulating high value business start ups in Worcestershire in its short life.

This is not an easy task – the County starts from a low base – and much credit must be given to the people involved in building the tech ecosystem needed to bring entrepreneurs and innovators to our County.

With the confidence of the past two years we now plan to grow and develop BetaDen significantly – both in the delivery of new businesses to the County, and also in its own transition to a sustainable organisation with strong support from the private sector.

We are excited by the road ahead. The tech industry is growing faster than ever, creating economic benefits that the County needs – and the actions set out in this Plan give us every prospect of bringing them to Worcestershire

Gary Woodman
CEO, Worcestershire LEP
Building on a career working across electronic manufacturing, security industry and international trade I am excited to be involved in developing tech industry opportunities in a very real and practical way. BetaDen can play an important part of stimulating and developing high value innovative businesses throughout Worcestershire’s future economic footprint. I’m delighted to welcome our second cohort to our acceleration programme this Autumn.

Linda Smith
BetaDen CEO and Founder
BetaDen was set up at the Malvern Hills Science Park in 2018 by the Worcestershire Local Enterprise Partnership (WLEP) to stimulate development of high value businesses in the county.

As a tech accelerator, taking near market concepts and driving them forward to commercial businesses, BetaDen will make a visible contribution to the local economy in a relatively short time. We set up the BetaDen space to nurture go to market innovation, business thinking and ideas and supported by a team of specialised mentors offering all the expertise our Cohort members needed - from marketing, to product development, to IP protection. Our first Cohort showcase, held at Mazak HQ in May this year was widely commended in the industry press.

In sectoral terms BetaDen is aiming for priority industry sectors in the County (cyber (security technologies), industrial process (manufacturing supply chain), MedTech (assistive technologies) and potentially AgriTech).

Already BetaDen is delivering on its ambition, with several alumni from the first Cohort getting their first customers and bringing jobs to the County. Looking to the future BetaDen aims to grow and evolve rapidly and improve the business environment and ecosystem for tech start ups in the County. This Plan sets out our strategic ambition for the coming five years.
By 2024/25 BetaDen will become a leading focal point in attracting Tech Start Ups to Worcestershire, accelerating growth of dynamic industries and delivering a key part of our county’s brighter economic future. Through links between Tech Start Ups, business, public sector and academia, BetaDen will forge the county’s potential to retain and grow business by accessing innovation and future emerging technologies.
KEY OBJECTIVES FOR THE PLAN PERIOD

01. Grow BetaDen’s business model itself in a way that opens alternative pathways for private sector investment

Providing investment opportunities for public sector, private individuals, institutions, private sector and venture capitalists to invest and sponsor BetaDen’s business model. In particular this will involve developing an co-working space rental income proposition in parallel with potential for investment in Cohorts, Cohort members, or in BetaDen in its own right.

02. Target 50% funding requirements from the private sector and set the direction for becoming independent of public funding on a ten-year horizon

A sustainable funding model cannot be based on long-term public-sector funding. Building private sector investment will also give our Start-Ups more access to the financial and commercial disciplines needed to grow their businesses. This logic also applies to BetaDen itself as it grows from a public funded tech accelerator to one that flourishes in the open market. This transition will have significant legal, organisational and governance implications for BetaDen, which will result in an independent organisation with investment opportunities for all partners.

03. Develop new strategic alliances with industrial partners, universities and research organisations

Our aim is to attract new start-ups to the County (through the Cohort programme and by co-location) that fit with the Local Industrial Strategy. To do this we will build active commercially based relationships with relevant industrial partners both in the County and further afield (nationally and internationally). In doing this because universities play such an important role in the tech start up ecosystem, we will particularly want to extend relationships with these e.g. Worcester, Coventry, Wolverhampton and those relevant further afield.

04. Stimulate Worcestershire’s entrepreneurial culture

Help align the County’s innovation network through BetaDen’s technical and business understanding of tech start ups’ needs. Use BetaDen’s growing connections with the finance, investment, industrial and technical community to attract and develop tech start-ups in the County, in a way that also enables BetaDen to grow its business model (e.g. building its revenues from the services it provides).
Our current package to attract Cohort members involves a program of financial support, mentoring, office working and connection to a wider network for development, commercialisation and financing over nine months. We intend to grow the start up throughput by shortening each Cohort’s duration and add value to seeding the start ups’ permanent location on our site to the current hot desking offer. In doing this, we will begin to create a virtuous circle of innovation that will also attract Tech Start-ups outside BetaDen’s programme.

While our initial thinking is to favour certain sectors (5G, Cyber, Industry 4.0), we also wanted to explore more widely in this early stage of the programme. In the course of the Plan period, though, we expect to become more focused on strategic growth sectors as the County’s Local Industrial Strategy evolves and we get direct experience from running Cohorts and making them more investable.

Sidaway Technologies automatically identifies and labels content within video. Our novel machine-learning technology can learn more efficiently, with less data, and less supervision than existing techniques.

AI projects typically spend 60-80% of time doing data preparation: huge data volumes are needed for good results, and data labeling is a laborious, manual, and expensive exercise. The need is so great that an entire industry has been created to provide platforms for the scaling and outsourcing of this manual data-labeling task. Our technology platform will use automation to transform the economics of this existing data labeling need.

Our vision, having bootstrapped on using existing technologies, is to replace them. Customers will see that our labeling models are more flexible than their deployed technology. We will provide our technology and services globally.

As an early-stage technology startup - BetaDen has been ideal. Mentors focus on the value proposition and market first. Proof-of-concept grant funding then helped with resources including funding for patent applications. A cohort of like-minded startups has helped to share ideas on how best to prioritise activities. BetaDen and the Malvern Hills Science Park provide an inspiring and professional environment in which to work and meet. BetaDen organised guests, events and publicity further helps us to be seen by collaborators, investors, customers, and others that can accelerate our journey.

"A cohort of like-minded startups has helped to share ideas on how best to prioritise activities. BetaDen and the Malvern Hills Science Park provide an inspiring and professional environment in which to work and meet."

Hear from Cohort 1.0 member Sidaway Technologies

Sidaway Technologies automatically identifies and labels content within video. Our novel machine-learning technology can learn more efficiently, with less data, and less supervision than existing techniques.

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www.sidaway.com
4.1 Introduction

From the start we recognised that although Worcestershire has a certain number of significant tech industries, the startups would need a relatively high level of support, both financial and in terms of mentoring & coaching and hot-desking office space.

The initial plan was to deliver three Cohorts (each comprising 6-7 members) that run over nine month periods. Cohort I completed in May 2019, with all 6 of its members reaching proof of concept stage, and [three] now actively developing their businesses in the County.

Our location is on the Malvern Hills Science Park campus, co-located with the neighbouring Qinetiq site, Collins Aerospace and many other well established and flourishing tech companies. The site has a development strategy to expand to double its current footprint therefore potential to accommodate more start-up businesses alongside inward technology investment companies. Indeed several of the first Cohort members have already expressed an interest in remaining engaged with BetaDen to help build its activities. This agglomeration benefit has potential to grow BetaDen much faster than if the startups end up locating themselves across the County, or even moving elsewhere. The initial thinking that quite high levels of support would be needed to attract high calibre tech start-ups appear to be right – and our package seems to be well suited to the immature nature of the County’s tech ecosystem.

“"Our plan pushes forward in seven key areas""  
LINDA SMITH  
BETADEN CEO
4.2 Overview

We want BetaDen itself to evolve significantly in this period, especially in bringing in private sector funding. This is important because of the radically transformative impact both financial and commercial connections can create.

The market discipline that will drive faster future commercial success of the Cohort members also depends on this network developing. Our thinking, summarised in the diagram below, is that in the short term we have a tacit plan to lever current funding regimes to maximise current opportunities (e.g. ERDF), and then a more explicit plan to draw in directly or indirectly sponsorship to support and extend these opportunities and an emerging medium to long term plan to reach a self-sustaining business model by developing direct income streams to support operational and development activities.

While we believe in the potential, this now needs to be turned into concrete investments. We are already in the process of appointing a dedicated resource in BetaDen to evaluate and then deliver this funding stream. Because of the value of the agglomeration of start-up businesses in one large location (i.e. they are able to spur off each other and benefit from attracting attention from the financing community), and the potential income stream from office rent, the plan also aims to grow the office accommodation aspect of BetaDen’s proposition.

Furthermore, our plan is to step up a gear in terms of developing the tech ecosystem in the County, recognising that this starts from a very immature position. While delivering successful new businesses through the Cohort programme is at the heart of BetaDen’s plans, the parallel efforts to connect BetaDen to the community of academics, industry groupings, financiers etc. will accelerate the Cohort start-ups business even more. Furthermore, BetaDen aims to drive forward in all parts of the County the necessary elements of building tech businesses.

In the following pages we give a high level overview of our plans in each of the following areas:

**Core Business Operations**
- Cohort Proposition
- Building a connected organisation
- Stimulating the County’s Entrepreneurial Culture
- Organisation, Structure & Governance

**Funding**
- Sources
- Legal Structure

**Premises**
- Location
4.3 Strategic Deliverables

Below we summarise the principal strategic deliverables

The Chart below shows the lead times involved in each of the key decisions:
4.4 Core Business Operations

Building the Cohorts to create investable entities

We plan to develop the proposition to Cohort members significantly so that we can offer a new package by Cohort 4.0 which would launch 3Q2021. It would include a period of office space post-Cohort co-located at BetaDen (building on the current package of £15,000 of support for product development; training and personalised mentoring, hot-desking office space and promotional events over a nine month period). This work activity would start 1Q2020 and complete 4Q2020. It will depend heavily on the Premises workstream activity delivering suitable arrangements with MHSP, and to a lesser extent funding detail (ERDF/WCC). A further review of the Cohort offering is planned mid 2023 so that it could be implemented into Cohort 8.0.

We plan to evolve the Cohort offering into a flexible structure (e.g. shortening the duration to six months) that can embrace and facilitate a variety of investment propositions e.g. sponsoring individual Cohorts; or covering all the Cohorts by taking a stake in BetaDen in its own right. This model could support both public and private sector participation.

Our target market segments into two distinct geographies: the entrepreneurs and innovators already in the County and nearby (“home territory”), and those from other parts of the country and overseas (“wider tech market”). Each of these needs their own approach.

Targeting active commercial relationships with businesses in the County

Our mission is to support the most promising innovators in scaling solutions that meet industry’s increasing challenges to address technological change and the digital demands of all sectors.

In the Summer of 2019 we embarked on a structured Industrial Engagement Project with a number of Worcestershire businesses with an interest in digital technologies (e.g. OGL, Mazak, QinetiQ, Collins Aerospace, Metrasens, Malvern Panalytical, Steatite, Graffica) to understand the actions that BetaDen needs to take to build the entrepreneurial network in the county, and how we could deliver the type of value that will make that relationship between BetaDen and industry a sustainable one. We received a warm and supportive response and early results evidence that Worcestershire has quite a number of impressive and highly focussed growth businesses. However, BetaDen’s proposition will need to be much stronger if it is to attract their commercial support. (Project Report Available).

To support this mission, we will build relationships which will enable BetaDen to offer cohort members warm introductions to potential customers as part of their to-market acceleration. These types of connections are notoriously difficult and time-consuming for small businesses to make because they have little credibility with, or access to busy, focused decision makers. By building a professional, value-adding profile, BetaDen can confer credibility to cohort members and make appropriate and timely introductions.

In order to develop these relationships and facilitate these introductions, we are going to develop a compelling, attractive and engaging value proposition for the industrial and commercial community in Worcester and beyond the county. Industrial players need to know and believe that technology of value is being created and commercialised in Worcestershire to encourage them to invest time and attention.

“"We plan to evolve the Cohort offering into a flexible structure that can embrace and facilitate a variety of investment propositions"

See more of our Core Business Operations overleaf
Attracting future high quality tech entrepreneurs

Engagement with local companies will lay the foundations of a sustainable future business model for BetaDen, creating a symbiotic entrepreneurial network between entrepreneurs and their markets. Our preliminary research will inform the next level of detail during Cohort 2, including value proposition, activities and messaging. We will then leverage these relationships, increase engagement and build BetaDen’s industrial profile and as we refine the to-market piece for Cohort 3.

Building Worcestershire’s Tech ecosystem and BetaDen’s brand

We see BetaDen’s potential as a core innovation asset for Worcestershire, nurturing innovation and market realisation. With a significant number of tech-orientated businesses already in the county, a growing presence with the expansion of Malvern Hills Science Park, its leadership with Midlands Cyber and the 5G testbed, Worcestershire has a bedrock to build upon as it develops a strategy and presence as a technology cluster.

The most promising sectors are most likely to be in the fields of:

- Cyber/IT/Security;
- Digitalisation of health and Social care – Assistive Technologies
- AgriTech; and Artificial Intelligence
- Manufacturing supply chain production technologies. IoT/5G

Several companies have already voiced their enthusiasm for investing in BetaDen’s activities on a commercial basis, because they can see the benefits for themselves (e.g. staff development, access to innovative ideas, lack of capacity etc.). BetaDen will benefit from having a wider more active engagement with the existing tech industry: for example it should attract more and better Cohort applicants because they will see the potential to leverage their skills in adjacent sectors (e.g. cyber security for manufacturing processes). In turn this should make companies more interested in investing in BetaDen and its activities.

New start ups have found it difficult to navigate their way through the different public and private organisations they can benefit from. A specific aspect of our efforts is likely to be a central web-based signposting assistance to tech entrepreneurs and innovators wishing to grow their business in the County. This will quickly direct them to the relevant public and private sector body (e.g. Chamber of Commerce, local tech industry organisations, etc.), and also bring them rapidly in contact with BetaDen.

Marketing strategy outside the County

To attract further county and UK-wide tech-orientated industrial engagement: We will test and refine the value proposition for relevant industry as we accelerate our second cohort to market. We will build the quality and quantity of our relationships, and the attractiveness of BetaDen as a delivery partner.

Local start ups in Worcestershire need to have access to the wider tech ecosystem well beyond its local boundaries to give them connectivity to technology networks, finance and business opportunities. We also want to attract innovators and entrepreneurs from outside the County to build their businesses in Worcestershire. With this in mind we will need to grow our brand and grow our engagement with suitable national and international businesses so that they see Worcestershire as an attractive landing point in the UK. In the wider tech market we aim to grow our networks and extend our reach by pushing our brand and growing reputation for delivery. We will develop a more detailed marketing plan in 2020 for this.
Working with universities
Academia plays a prominent role in the network of innovation and tech startups – its access to data, being at the forefront of research (e.g. creating new algorithms), and its human talent has a natural fit with BetaDen’s activities. Furthermore, particularly in our home territory, Worcester University’s business school has great potential synergy with our start ups’ business challenges (e.g. business strategy and marketing) in a way that could also help attract students to the University.

We also have ambition to develop partnerships with other universities in our “home territory”. BetaDen already has an MOU in place with Coventry University to broadly develop in the security technologies space, and we see similar opportunities with organisations like Wolverhampton University and WCG (Pershore College) which have expertise in cyber and AgriTech respectively. Both of these have relevant application focus without having their own adjacent tech incubators/accelerators (in contrast to Warwick and Birmingham Universities) and are therefore most likely to be willing to engage as strategic partners.

Coordinating efforts to support tech start ups
At the moment there are many different bodies in the County working to support entrepreneurs (e.g. WINN, Worcestershire Business Central, The Kiln, and efforts at local district level). BetaDen wants to work collaboratively with all these bodies to provide the very specific knowledge and skills they need to work with tech startups. We also want to influence and align these collectively. BetaDen can especially help match the needs of each startup business with suitable technical, business and financial counterparties. Our thinking is that in this way the entrepreneurial culture of the County will grow rapidly. The growing community at MHSP has a great part to play in this. We also see an opportunity to use this approach to fit with BetaDen’s business model in a way that grows its revenue streams (e.g. by taking service fees, office rent, commission, or equity participation). Allied to this effort we will be extending our relationships with related regional organisations e.g. KTN, Midlands Cyber and the relevant Catapult Centres – all of these need to be aware of BetaDen’s activities and we want to get to a position where BetaDen can have some influence on them.

Progression to an investible business structure
The organisation will almost certainly need to change significantly, moving to a new legal structure with suitable supervisory bodies and appropriate governance in 2020/21. We expect the current Advisory Board to supervise external advisors and governing appointments. We expect to grow the operational staff from 4 to 6 by taking on two further programme administrators in 1Q2021.

“A specific aspect of our efforts is likely to be a central web-based signposting assistance to tech entrepreneurs and innovators wishing to grow their business in the County”
4.5 Funding

In order that private funding streams start in 2Q2021 and then grow to plan (12.5% by 2Q2022; 37.5% by 2Q2023 and 50% by 2Q2024), we have already started the process to recruit a dedicated position to evaluate the funding scene, develop a strategy for developing the private sector funding, and then delivering it.

Ideally, we can get in a position to make informed choices between alternative funders. We have already started building a network of individuals with extensive industry contacts. Knowing the tech sector funding scene well, they will help us get the best coverage and rapidly reach interested parties (alongside inward investment objectives).

In order to embrace potentially several funding routes from the private sector, the BetaDen entity will need to transition from its current status as a WLEP department to a Limited Partnership structure in 4Q2020 to meet the planned first private sector funding in 1Q2021. Given the work involved, we plan work on this to start 2Q2020. The transition will involve staff contracts (discussed earlier), commercial arrangements, detailed tax optimisation and introduction of suitable governance bodies, so will not be started until needed by private sector funders – it could be earlier or later. While we believe this is the most likely legal structure, a more informed decision will be made when the nature of the private sector funding is clear.

Given the immaturity the tech startup sector in the County, the timing and level are highly uncertain. To mitigate this risk, we expect to ask for a fully funded plan under the Local Industrial Strategy [expected 4Q2020]. There is some prospect of the current ERDF funding to be extended to 2023.

With the longer-term ambition to become fully independent from public sector funding we plan a strategic funding review towards the end of the Plan period to set up for the third phase of BetaDen’s evolution.

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**How BetaDen supported Titania’s dedicated project – for next generation product development**

- Automate the process of detecting and then fixing cyber hygiene issues
  - Next Generation Cyber Security Tools
  - Fully Autonomous self-Securing Systems

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**Partners:**

- HM Government
- Department of Business, Energy & Industrial Strategy
- BT
- PayPal
- CISCO
4.6 Premises

To keep costs to a minimum, the current office space is sized to meet only the current Cohort requirements. However, our intention is to develop towards a position where Cohort Alumni and incoming tech startups can co-locate themselves at BetaDen and build the agglomeration benefits that many accelerators around the world have experienced (e.g. Eastern Foundry).

In the longer term, as the hub becomes established, there could be potential to set up satellite locations under the BetaDen name, for example a “BetaDen North” to create a local presence in the north of the County.

The MHSP site is one of the County’s underdeveloped assets, and it has great potential to become this hub. For the time being that is our intention. It also builds in a potential income stream to BetaDen through rent that could open up a variety of funding structures (e.g. funding the building).

However, there is also an immediate need to give alumni from Cohorts I and II the opportunity to co-locate their businesses at BetaDen.

With this in mind, we plan an activity from 3Q2019 to deliver suitable office space at MHSP by 2Q2020, and this will also give an indication of the longer-term potential for this site. Note that the Cohort offering workstream will be strongly affected by this activity.

In the longer term, known developments in the County (e.g. Parkway and Shrub Hill, or potentially Worcester University), could offer alternative locations that are better connected to the road and rail system, although we also need to be sure that this is what the tech startups in the county prefer. With that in mind, we plan a major location strategic review 2Q2023-1Q2024 to fit the likely development plans in the County and to allow suitable discussion with the MHSP.
This plan provides a framework for future roll out. While each of the Action Plan items includes discussion of their risks, in this section we summarise them and our approach to managing them.
5.1 Core Business Operations

Failure to recruit suitable Cohort members. Actions of other Accelerators/Incubators.

We would expect to either delay a Cohort or run it with fewer start ups if we did not get suitable applicants. Throughout the plan we will be monitoring the offers from Accelerators and Incubators near our home territory and may adjust the BetaDen offering beyond that envisaged in the Plan if needed, although want to avoid direct competition with these organisations.

Reliance on small team. Difficulties in recruiting new posts. Availability of mentors.

Building a larger team will help mitigate the generic risk of staff leaving that any small business faces. The Plan has suitable lead periods to recruit new staff. We are building the pool of business mentors to give some back up.

Dependency of timing of moving to new organisation on funding workstream – legal, financial and HR effort takes longer

The Plan includes enough lead time to implement the organisational changes to fit with the start of new funding arrangements. We do not believe that funders will be overly concerned about minor time slippage given normal lead times, but we will need to show progress, and manage changes to schedule by strong communications from the outset and during implementation.

5.2 Funding

Private sector investment takes longer; or requires more effort

Our plan is to start with commitment for 100% of the funding for BetaDen for and then reduce this as private investment comes on line. This will enable commitment to Cohort delivery and BetaDen's operational resources

Private sector investment moves faster – e.g. we find a patron very early that could exclude others in the pipeline.

A key early deliverable from the Funding Coordinator will be to deliver a prioritisation of funding types so that such decisions can be made with confidence.

New Funders want to change business model

If we had a major funding proposition for a very different type of tech accelerator in Worcestershire (e.g. supported by a charitable foundation, or an angel investor) we would draw on the Advisory Board then the WLEP Board to seek confidence that it still delivered the broader aims in this Plan.

“Throughout the plan we will be monitoring the offers from Accelerators and Incubators near our home territory”
Target 50% funding requirements from the private sector and set the direction for becoming independent of public funding on a ten-year horizon.

A sustainable funding model cannot be based on long-term public-sector funding. Building private sector investment will also give our Start-Ups more access to the financial and commercial disciplines needed to grow their businesses. This logic also applies to BetaDen itself as it grows from a public funded tech accelerator to one that flourishes in the open market. This transition will have significant legal, organisational and governance implications for BetaDen, which will result in an independent organisation with investment opportunities for all partners.

In order that BetaDen’s Business Plan delivers on short, medium and longer term goals the development of private funding streams will start in 2Q2021 and then grow to plan (12.5% by 2Q2022; 37.5% by 2Q2023 and 50% by 2Q2024), we have already started the process to recruit a dedicated position to evaluate the funding scene, develop a strategy for developing the private sector funding, and then delivering it. Ideally, we can get in a position to make informed choices between alternative funders. We have already started building a network of individuals with extensive industry contacts. Knowing the tech sector funding scene well, they will help us get the best coverage and rapidly reach interested parties (alongside inward investment objectives). If BetaDen is successful in terms of developing private funding streams to these levels, then the estimated Public funding requirement for the period to 2Q2024 is £0.948m.

Support in the immediate short term is the potential to work alongside MHSP to strengthen the onsite innovation support (as in BetaDen Acceleration Programme/Inward investment soft landing package). Early discussion is taking place between WLEP and MHSP which could impact on sources of investment of either or combined rental/service contributions and revenue contribution. The reciprocal support is to create a pipeline of future MHSP early stage tenants that can be incentivised to develop their businesses on the site inline with the strategic growth plan. Cohort members have already expressed an interest in remaining engaged with BetaDen to help build its activities. This agglomeration benefit has potential to grow BetaDen much faster than if the startups end up locating themselves across the County, or even moving elsewhere. The initial thinking that quite high levels of support would be needed to attract high calibre tech start-ups appear to be right – and our package seems to be well suited to the immature nature of the County’s tech ecosystem.
### BetaDen Financial Plan - April 2020 and beyond

The current financial model for BetaDen assumes the following costs from 2020/21 financial year:

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#### Available Funding (to be confirmed)

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#### Funding Split

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7.1 Introduction

The following sections outline seven Workstreams’ detailed activities under three main headings: Core Business Operations, Funding and Premises.

7.2 Core Business Operations

Core Business Operations’ activities reflect the basic operational choices that face BetaDen over the Plan period.

COHORT PROPOSITION

Cohorts are the main way in which BetaDen will be delivering new tech start-up Businesses to the County. As described earlier, the sector is very immature, and we have tailored a proposition to tech startups accordingly. However, in the Plan period, we will expect to be able to tune this proposition as we get more information from Cohort members and develop clearer views on the tech sectors that play to the County’s strengths.

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- Post Cohort III Strategy
- Review Cohort Strategy

**SUB-WORKSTREAMS**

- Agreement with WLEP Tech
- Sector preferences
- Cohort I-III performance review
- Strategic alliances
- Funding community needs
- Strategy formulation
- Cohort performance review
- LiS priorities
- Funding community priorities
- Cohort structure review
4Q2020 Post Cohort III Strategy Review
3Q2019 Start engagement with funding community
3Q2020 Complete all input information to start Strategy Review
4Q2020 Conclude Review
1Q2021 Implement new Cohort Offering in Cohort IV

Comments:
Requires input from: Premises Workstream for MHSP office availability; Funding Workstream for ERDF funds.
Key decision points:
Before each Cohort there will is potential to define new criteria.

3Q2023 Cohort Strategy Review
2Q2023 Agree terms of reference

Comment:
Aim of this review is to assess the longer-term needs of the County in the context of achievements to date, allowing for a significant change in the Cohort proposition

ORGANISATION AND GOVERNANCE
BetaDen will evolve significantly in the Plan period.
The organisational changes are aligned with BetaDen expecting to need to move to a new legal entity as it starts private sector investment to achieve 50% by 31st December 2024. However, as to be discussed later, the timings and nature of attracting private sector funds inevitably are highly uncertain.
As there are significant costs involved in moving to a new legal entity, and the lead times will be less than those involved in negotiations with new funders, we will not start these activities until the need for them becomes clear.

1Q2021 Implement new Governing Bodies
TBC
Comment:
Depending on which Legal structure is adopted, recruitment and appointment processes will be required.

2Q2022 Hire additional resources
Comment:
Close to the date, when a there is a clearer view of Cohort requirements this process can start. Timescales can be adjusted, but a 2-3 month lead time will be needed.

1Q2021 Implement new organisation
4Q2022 Start recruitment and selection processes for Board, Independent Advisory Group (if necessary)
4Q2022 Start HR transition process (contracts etc)
Comment:
This activity will not need to start until the move to a new legal entity is clear.

3Q2020 Staffing Review
3Q2022 Review of needs for activity post Cohort III
Comment:
At this point there will a clearer view of the resources needed to support the Cohorts and other activities.
ENTREPRENEURIAL COUNTY WORKSTREAM

Growing the entrepreneurial ecosystem in the County will require interaction with many public and private sector organisations already operating in the County. BetaDen aims to act as a centre of excellence focal point for tech startups.

Our plan has three main activities in this area – initially getting alignment and focus of the County’s innovation network, developing a marketing plan that specifically addresses target entrepreneurs and investors both in the home territory and the wider tech market (messaging, channels, resources etc) and then implementing, and then reviewing progress though stakeholder engagement in 2022 with a longer-term view on refining our approach.

One aspect we have in mind is to develop a single web-based signposting system that will direct entrepreneurs and innovators to the many useful and relevant bodies in the county that can assist them.
**2Q2020 Marketing Plan**
1Q2020 Carry out research into the home territory population of innovators and entrepreneurs
2Q2020 Determine key marketing messages, most effective channels, resources/budget, and implementation plan.
Post 2020 the plan will be reviewed annually in each 2Q
Comment:
This plan will need to closely coordinate with other WLEP organisations, and this carries some risk that areas of overlap will be contentious.

**2Q2020 Tech Start Up Web Director for Worcester**
2Q2020 Extend BetaDen website to provide links to local organisations relevant to tech start ups.
Comment:
There will need to be some research to get suitable organisations and the right contact details, but we believe this can grow organically. The resources to manage it will come from core BetaDen staff, but it is not expected to be onerous.

**3Q2020 County alignment**
1Q2020 Developing a Countywide approach
3Q2020 Delivering innovation through engagement with BetaDen’s model.
Comments:
With many different bodies involved across the County, we expect that the process of getting alignment will be quite difficult.
This activity will be closely allied to the funding workstream as it should produce additional revenue streams for BetaDen

**4Q2021 Strategic Review**
4Q2021 Collecting stakeholder evidence
1Q2022 Strategic analysis and developing recommendations.
Comments:
This is timed to fit with the 2022/3 year, by which time the changes adopted in the County alignment workstream will have bedded in. We see a need to collect as much objective evidence as possible.
CONNECTED TO TECH STARTUP ECOSYSTEM WORKSTREAM

Currently most of the “innovation” in the county isn’t working for the Tech sector, and what exists is quite disjointed. BetaDen This plan has BetaDen striking meaningful relationships with relevant organisations in industry, business and academia. The aim is to give BetaDen and the Cohort members rapid access to tech know how, and in return give opportunities for developing staff, generating business ideas and new research concepts.

**3Q2021, 4Q2020 Develop Strategic Alliances with Business/Industry**

1Q2020 Establish connection to the companies
2Q2020 Develop and agree rationale for selected group of alliances
3Q2021, 4Q2022 Review outcomes of existing alliances and adjust changes if needed

Comments:
Aiming for 3-5 Strategic Alliances in place by 2Q2021

Key decision points:
By 2Q2020 will need to prioritise the companies to approach.

**2Q2021 Agree MOUs with Universities**

1Q2020 start discussions with Worcester University with focus on Business School
4Q2020 reach MOU Worcester University
3Q2020 start meaningful discussions with other Universities
2Q2021 reach MOU with a third University

Comments:
Potential risks to timescales

Key decision points:
By 2Q2020 will need to prioritise the companies to approach.
7.3 Funding

FUNDING SOURCES WORKSTREAM

This plan aims to achieve target 50% private funding by 31.3.2024 [on a schedule 12.5% by 31.3.2022; 37.5% by 31.3.23; 50% by 31.3.24, and in parallel developing rent-based income stream in which Cohort alumni and other tech start-ups co-locate with BetaDen.]

The plan is to secure 100% of budget requirement underwriting from LEP for 2021/2 to 2024/5 by 3Q2020 and in parallel target private sector funding which ramps up to 50% by the end of the plan).

We will target getting commitment for the funds 6 months ahead of them starting.

Need to recognise that private sector funding can come from a variety of sources - and ideally we have some ability to decide which suits BetaDen at this point in its development.

Already see potential in local philanthropists; investor angels, etc.

The funding route that we choose to take will have significant impact on the organisation, structure and governance workstream.

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**SUB-WORKSTREAMS**

- Current funding (LA/ERDF)
- Funding Coordinator Hire
- Private Sector funding feasibility
- Private Sector funding strategy
- Private Sector fund procurement
- ERDF extension
- LIS submission
- LIS finalisation
- Strategic Funding Review
- Legal Entity transition

**4Q2019 Recruit Funding Coordinator**

- July 2019 Agree and issue Job Description
- August 2019 Start Recruitment
- September 2019 Interviews and selection
- December 2019 Start in Post
3Q2020 Private Sector Funding Strategy
4Q2019 Appoint Funding Coordinator
2Q2020 Complete assessment of funding potential
3Q2020 Deliver funding strategy (e.g. priorities, )
3Q2020 Start funding Procurement

Key Milestones:
Development of funding strategy by 2Q2020; interim feedback from finance community 1Q2020;
Annual review of funding delivery 4Q2021, 22, 23
We have already identified independent individuals (Irons) who have good networks and can add perspective

Key decision points:
3Q2020 will need to confirm funding priorities; funding flow may depend on lead time to make organisational changes.

3Q2020 LA Financial Support
2Q2019 feed into Local Industrial Strategy
2Q2020 obtain view of post 2Q2021 funding (indirectly from BEIS support of LIS)

4Q2019 ERDF Extension
2Q2019 discussions with WLEP as to requirements for Cohort IV and later
4Q2019 secure ERDF funding extension

Funding Commitment Schedule
Key milestones for private funding commitment:
4Q2020 12.5% start 2Q2021
4Q2021 37.5% from 2Q2022
4Q2022 50% from 2Q 2023

4Q2024 Strategic Funding Review
2Q2024 start terms of reference
4Q2024 deliver agreed funding approach for post Plan period to move to 100% private sector
2Q2019 discussions with WLEP as to requirements for Cohort IV and later
4Q2019 secure ERDF funding extension
4Q2020 Transition to future legal structure (6 months ahead of private funding coming on stream)
3Q2020 Engage Advisory Board; select advisers (financial, legal, HR, commercial) and recommend new arrangements
4Q2020 Implement changes

Comments:
Requires input from: Premises Workstream for MHSP office availability; Funding Workstream for ERDF funds.

Key decision points:
will be initiated by first private sector funding confirmation 4Q2022; only when there is a known need will this activity will be triggered (given the costs, requirements)
7.4 Premises

We want to grow BetaDen as a single establishment to rapidly get the scale that will create the Tech “hub” to attract other tech companies. MHSP has worked out well so far, but needs to develop more to create the tech startup community we are aiming for.

While many of the Cohort I members have found the MSHP very conducive to their type of business, in the longer term there may be better locations in the County which are not available at the moment. This plan focuses on leveraging MHSP relationships (inc. WCC funding?) to create office space on campus for Cohort I-III alumni, and then to include 6 months accommodation in the Cohort offering from Cohort IV with aim of them then keeping their business there.

Adding rent-based income to BetaDen’s portfolio directly or indirectly will open up options for potential funds via supplying a building, or from office rent.

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**SUB-WORKSTREAMS**

- Review of Cohort needs/wishes
- Discussions/negotiations with MHSP
- Review availability of alternatives
- Tech Ecosystem needs/priorities
- Financial modelling
- Stakeholder review

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**2Q2020 Establish Cohort Alumni Office Space at MHSP**

2Q2020 Deliver MHSP arrangements for working with BetaDen to house Cohort Alumni and other tech startups

Comments:
if possible, the new accommodation could be included in Cohort III; this activity feeds into the Cohort proposition workstream. If by 2Q2020 no suitable agreement has been reached, may decide to bring forward efforts to find alternative sites.

**2Q2024 Strategic Review of Location Options**

4Q2023 Review progress at alternative sites (particularly Parkway, Shrub Hill, and strategic direction at Worcester University)

1Q2024 Review tech ecosystem needs/priorities

1Q2024 Financial modelling

2Q2024 Stakeholder review and completion of Review

Comments:
may need to bring forward if MHSP site not meeting BetaDen’s needs