

PLACE SELECT COMMITTEE

SCRUTINY REVIEW OF BUSINESS SUPPORT AND ENGAGEMENT

1.0 Executive Summary

- 1.1 This report outlines the findings and recommendations following the Place Select Committee's scrutiny review of Business Support and Engagement.
- 1.2 Reviewed and approved annually by Cabinet, Stockton-on-Tees Borough Council's *Economic Strategy 2017-2032* sets out the Council's long-term vision and ambitions in relation to economic growth. This document is complemented by an *Economic Growth Plan* (also reviewed and approved by Cabinet on an annual basis) which details what will be delivered in the next three years to achieve the outcomes and ambitions within the Economic Strategy.
- 1.3 To aid the realisation of economic objectives, the Council undertakes a number of business support activities across the Borough, from advice and guidance, to direct financial support. In recent years, the focus of this activity has changed, with a greater emphasis placed on targeted evidence-led support and creating a single point of contact ('one conversation') policy for businesses liaising with the Council. However, current challenges, largely around resources, have led to a concentration on reactive rather than proactive activity.
- 1.4 The aim of this review was to examine the Council's overall business support / engagement role, how this was utilised and viewed externally, and whether the necessary resources were in place to satisfy existing and future demand.
- 1.5 A key catalyst for the initiation of this review was the sense that the Council's Business Support and Enterprise Team had, largely due to issues around resources, become concentrated on reactive rather than proactive activity. This is perhaps understandable given the changes in personnel and the delays in filling vacant posts that the Committee became aware of. Fostering a more stable environment for the Team, along with a clear future remit which focuses on the types of activity that would be of maximum benefit to local businesses, will hopefully bring greater rewards for the Council's support service and its target audience.
- 1.6 The Committee welcomed the wide range of business support and engagement activities that the Team provide, and the various ways in which these are communicated to the business community – continuing to promote this offer will be more important than ever as organisations navigate their way through the present COVID-19 situation and beyond. The Committee note the desire to better utilise social media to connect with local businesses, a medium which, though not for everyone, has proved to be powerful and far-reaching.
- 1.7 The previous focus on support for the retail sector has been understandable given recent high-profile closures within the Borough, and challenges for the high street have been further exacerbated by the pandemic. Though many retail issues are outside the Team's control, the past development of the retail support programme was welcomed and should now be re-evaluated in light of COVID-19 to reflect changing business needs and priorities.

- 1.8 Whilst this review was predominantly an in-house examination of the Council's business support offer, the Committee was mindful of the wider support available to businesses from other organisations across the region. The review benefitted from contributions by several external agencies, and it was reassuring that a consistent message coming through was the need to avoid duplicating each other's work, as well as the importance of knowing which support provider could best assist depending on where a business was in its 'journey'. It was also encouraging to hear about some of the Borough's success stories, particularly around exporting, along with several examples of well-established partnership-working (joint events / initiatives) with the Council.
- 1.9 The Committee are conscious that business support providers across the region will be having to adapt to the current environment, and encourage continued engagement with one another to understand the new needs of local businesses and build this into the future support offer. As one of the external providers stated, being responsive to what businesses want, as opposed to what support partners think they need, is of paramount importance.
- 1.10 A by-product of the COVID-19 pandemic has been the numerous new contacts made with local businesses who required assistance in dealing with the aftershock of the national lockdown and its adverse effect on their trade. Increased awareness of the Council's support service is to be welcomed, particularly as this can open doors to other avenues of support that may help a business continue to exist in the short-term and develop in the future. The Committee commended the proactive efforts of both the Council's Business Support and Enterprise Team and the Business Rates Team during these exceptional times.
- 1.11 Business support providers will continue to have an important role in helping existing local businesses survive, manage and recover from the impact of COVID-19, as well as aiding the establishment of an anticipated rise in start-ups. The Committee fully supports the identified future priorities of the Council's Business Support and Enterprise Team, and note that one of these (inward investment) was raised as a potential area for development by the NEECC, along with the need to strengthen the current functionality of the Stockton Business Forum. In addition, the *Inclusive Growth* agenda is one which the Committee are keen to embrace as the Council seeks benefits for not only businesses, but for the people of the Borough.
- 1.12 Though the ramifications of the pandemic are wide-ranging for all, it is right for the Council to be particularly mindful of its impact on young people. Prioritising work around employment, education and skills with schools, colleges and universities is a must, and this will be aided by the evidently established links with partner organisations like Teesside University and Tees Valley Combined Authority.
- 1.13 This review began in the 'old' (pre-COVID-19) world, reflecting on previous support provision from the Council, and with the impact of Brexit at the forefront of many people's minds. Businesses now face very different challenges, for some their very existence, as the country battles to suppress the spread of the virus. Previous focus on growth and profits has, for many, been replaced by a simple aim to continue trading, and it is with this in mind that the immediate future priorities of the Council's Business Support and Enterprise Team will need to be shaped.

Recommendations

The Committee recommend that:

- 1) **SBC raises awareness of the existing information system enabling current and prospective business owners to search for available property and land, and ensures that those using this facility know where to go for further advice, guidance and support.**
- 2) **SBC strengthens communication of its business support offer via dedicated social media platforms.**
- 3) **A review of local business networks (including Stockton Business Forum), and how these can best operate in the current and post-pandemic environment, is undertaken.**
- 4) **Consideration is given around developing support for businesses which are run from home (e.g. encouragement of 'co-working spaces' where people who work on their own could come together to chat / brainstorm).**
- 5) **There is an increased awareness and understanding of the business needs of groups with protected characteristics, particularly with regards the impact of COVID-19 on sectors that employ significant numbers of people from these groups (e.g. taxi drivers, hospitality).**
- 6) **SBC evaluates its existing retail support programme:**
 - a) **to ensure it fits with the current and likely future needs of local businesses;**
 - b) **to consider widening the programme to businesses based outside of Town Centres;**
 - c) **to consider similar support packages for non-retail business (e.g. start-up support in view of the anticipated rise in such ventures).**
- 7) **A future update on the SBC Business and Enterprise Team's intended work around employment, education and skills with schools, colleges and universities be provided to the Council's Children and Young People Select Committee.**
- 8) **A future update be provided to the Place Select Committee around the *Inclusive Growth* agenda, and how this has impacted upon the people of the Borough.**