

Place Select Committee

Scrutiny Review of Business Support and Engagement

DRAFT

(DRAFT) Final Report
November 2020

DRAFT

Place Select Committee
Stockton-on-Tees Borough Council
Municipal Buildings
Church Road
Stockton-on-Tees
TS18 1LD

Contents

Select Committee - Membership	4
Acknowledgements	4
Contact Officer	4
Foreword	5
Original Brief	6
1.0 Executive Summary	8
2.0 Introduction	11
3.0 Background	12
4.0 Findings	14
➤ Businesses within the Borough	14
➤ Business support and engagement at SBC	15
➤ Wider support partners and interface with SBC	20
➤ Experiences of local business	26
➤ Future priorities and focus	28
5.0 Conclusion & Recommendations	34
Appendix 1: Business Support and Enterprise Team – Case Studies (Support and Engagement with Business)	37

Select Committee - Membership

Councillor Chris Barlow (Chair)
Councillor Louise Baldock (Vice-Chair)
Councillor Pauline Beall
Councillor Luke Frost
Councillor Mohammed Javed
Councillor Hilary Vickers
Councillor Alan Watson
Councillor Bill Woodhead MBE

The Committee would like to pay tribute to Councillor Julia Cherrett, who was involved in this review as a member of the Committee until her sad passing in October 2020.

Acknowledgements

The Committee would like to thank the following people for contributing to its work:

- Garry Cummings (Director of Finance, Development and Business Services) – Stockton-on-Tees Borough Council (SBC)
- Chris Renahan (Inclusive Growth, Planning & Development Manager) – SBC
- Joanne Fryett (former Business Relationship Specialist) – SBC
- Mark Rowell (former Business & Enterprise Manager) – SBC
- Marc Bould (Principal Business Engagement Officer) – SBC
- Mike Russell (Business Finance Manager) – Tees Valley Combined Authority (TVCA)
- Shak Asghar (Growth Service Manager) – Tees Valley Business Compass
- Julie Underwood (International Trade Director) – North East England Chamber of Commerce (NEECC) / Department for International Trade (DIT)
- Rachel Anderson (Assistant Director – Policy (Tees Valley and Energy)) – NEECC
- Laura Woods (Director of Academic Enterprise) – Teesside University
- Bill Scott OBE (CEO) – Wilton Universal Group
- Abby Taylor (Graphic Artist) – Abby Taylor

Contact Officer

Gary Woods (Scrutiny Officer)
Tel: 01642 526187
Email: gary.woods@stockton.gov.uk

Foreword

TBC

Cllr Chris Barlow
Chair
Place Select Committee

Cllr Louise Baldock
Vice-Chair
Place Select Committee

DRAFT

Original Brief

Which of our strategic corporate objectives does this topic address?

The review will contribute to the following Council Plan 2019-2022 policy principles:

Create economic prosperity

- By ensuring the businesses and people of Stockton-on-Tees are part of a thriving and productive Tees Valley economy.

Tackle inequality

- Through improving job opportunities, skills and training.

What are the main issues and overall aim of this review?

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.

There are several thousand businesses registered within the Borough from micro (1-10 employees) through to large multi-national organisations. Each are important to the economy of the Borough and its residents, and the Council plays an important facilitation role in the sustainability and growth of these companies.

Of further consideration is the key interface with the Tees Valley Combined Authority (TVCA), both in terms of their business support activity and the funding streams that they either manage or can access.

This review will examine the Council's overall business support / engagement role, how this is utilised and viewed externally, and whether the necessary resources are in place to satisfy existing and future demand.

The Committee will undertake the following key lines of enquiry:

- What are the key functions of the Council's Business and Enterprise Team; has this changed over recent time (including resourcing) and what are the reasons for any change?
- What are the definitions of business 'support' and 'engagement'?
- How do local businesses find out about the Council's support service; how is this communicated?
- What types of business exist within the Borough; what are the key sectors?
- What types of businesses (and where are they sited) approach the Council and what do they seek? Are enquiries purely around local issues or the wider national / international environment?
- What types of support does the Council provide to businesses (including the mediums used)?
- How does the Council link in with the Tees Valley Combined Authority regarding the development of business; is there clarity on the remits of each?
- How does the Council link in with wider partners (e.g. Universities, Federation

of Small Businesses, North East England Chamber of Commerce, Department for International Trade)?

- SBC Peer Review feedback – what can we learn from this recent Council review in terms of support for local business?
- How do other Local Authorities support businesses in their locality; are there any initiatives that would be appropriate for the Borough?

Provide an initial view as to how this review could lead to efficiencies, improvements and/or transformation:

This review will seek to assess whether the Council's business support / engagement activity is fit for purpose and resourced appropriately.

DRAFT

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 Engagement 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 Engagement 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 Engagement 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 Engagement 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 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.**

2.0 Introduction

- 2.1 This report outlines the findings and recommendations following the Place Select Committee's scrutiny review of Business Support and Engagement.
- 2.2 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.
- 2.3 The Committee undertook a number of key lines of enquiry which focused on the following:
- What are the key functions of the Council's Business and Enterprise Team; has this changed over recent time (including resourcing) and what are the reasons for any change?
 - What are the definitions of business 'support' and 'engagement'?
 - How do local businesses find out about the Council's support service; how is this communicated?
 - What types of business exist within the Borough; what are the key sectors?
 - What types of businesses (and where are they sited) approach the Council and what do they seek? Are enquiries purely around local issues or the wider national / international environment?
 - What types of support does the Council provide to businesses (including the mediums used)?
 - How does the Council link in with the Tees Valley Combined Authority regarding the development of business; is there clarity on the remits of each?
 - How does the Council link in with wider partners?
 - SBC Peer Review feedback – what can we learn from this recent Council review in terms of support for local business?
 - How do other Local Authorities support businesses in their locality; are there any initiatives that would be appropriate for the Borough?
- 2.4 The Committee took evidence from representatives of the Council's Business and Enterprise Team, as well as from a range of wider business support partners including the Tees Valley Combined Authority, the North East England Chamber of Commerce / Department for International Trade, and Teesside University. To gain insight into the impact of the Council's support offer, the Committee also received contributions from local businesses, though the intended visits to the Fountain Shopping Mall, Drake the Bookshop and Fusion Hive were unable to take place due to COVID-19 restrictions.
- 2.5 Recognising the increasing pressure on the Council's finances, it is imperative that in-depth scrutiny reviews promote the Council's policy priorities and, where possible, seek to identify efficiencies and reduce demand for services.

3.0 Background

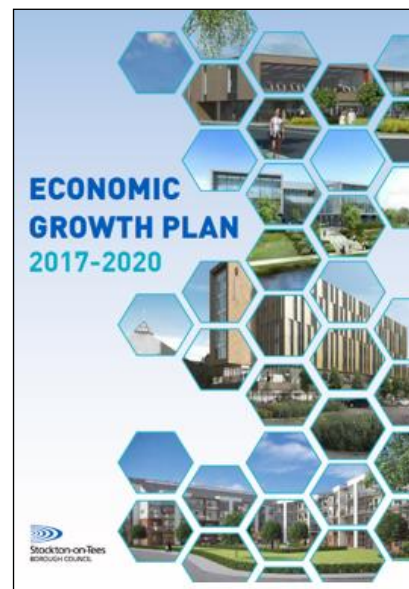
3.1 An array of national support initiatives exist for those who wish to start-up or grow a business, including:

- GOV.UK website (providing information and guidance on starting and running a business, including statutory rights and obligations, and the ability to search for support using the [business finance and support finder](#)).
- National Business Support Helpline (providing signposting, diagnostic support and business improvement guidance to pre-starts, start-ups and existing businesses).
- Financial support in the form of the [Start Up Loans Company](#) and the [New Enterprise Allowance](#).


3.2 From a local perspective, a network of growth hubs exist which join up and deliver local business support. There are 38 [growth hubs](#) across the country, one for every Local Enterprise Partnership (LEP), and these are a single local access point for all public and private sector business support, (effectively a 'front end' for LEP programmes and other economic support). They provide free support on a range of queries, from funding to Brexit, and partners include Chambers of Commerce, the Federation of Small Businesses, business schools, Enterprise Zones and banks.

Many Local Authorities offer their own range of business support services to encourage economic development and regeneration.

3.3 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.




3.4 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.


Stockton-on-Tees BOROUGH COUNCIL My Stockton  [Login or Register](#)

OUR COUNCIL **OUR PEOPLE** **OUR PLACES** **OUR ECONOMY**

Home / Our Economy / Business support

Business support



 **A national lockdown will come into force across England from 00.01am on 5 November.**
As we receive more information about the rules, any disruptions to Council services and the support available for our residents and businesses we will update www.stockton.gov.uk/coronavirus

Stockton-on-Tees is a Borough with a diverse economy, with a strong reputation in manufacturing and a well-established service sector.

We have a track record of attracting and developing successful enterprises, from manufacturing to emerging technologies and from micro businesses to large companies. This is because Stockton-on-Tees is a great place to do business.

Stockton-on-Tees Borough Council's Economic Development Team is here to help your business with ongoing support and can provide guidance and information to those who want to:

- Start a new business in Stockton
- Grow an existing business in Stockton
- Invest in or relocate a business to Stockton

Professional and confidential, friendly and approachable, the team understands business needs and will assist you to achieve your business goals in the Borough either directly or, where appropriate, we will refer you to our partners.

We can support you in your search for the right premises for your business, whether that is in a managed business centre, in one of the industrial or office premises of varying size available throughout the area, or finding appropriate land on which to build your own premises.

We can help you access and get the advice you need on planning permission, environmental health, licences, business rates and many other services that the Council provides to support your business.

We also have a dedicated Town Centres Development Team that is leading on the transformation of our six town centres and working closely with businesses to deliver the investments that are planned.

In the following pages you can find information on the support services that the Council and its partners offer to help businesses start, grow and thrive in our Borough.

Browse this section

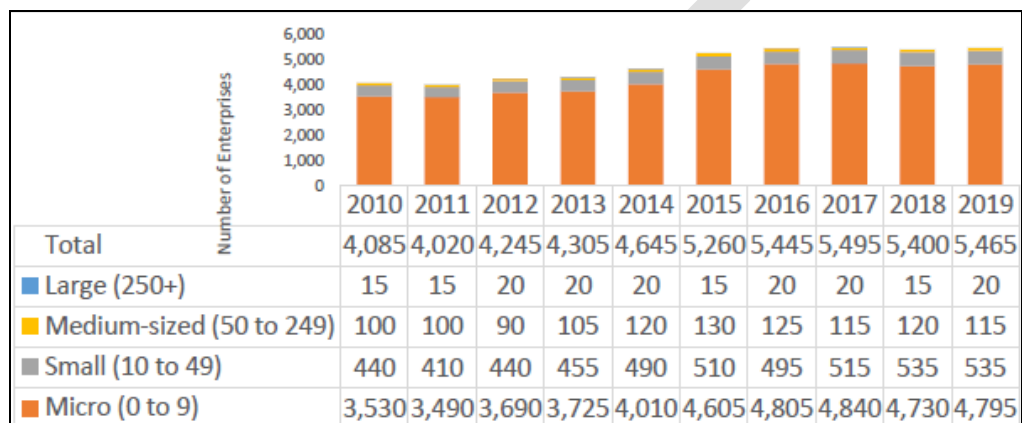
- Coronavirus (COVID-19) Business Support
- Business rates
- Business support**
 - Apply for a licence or permit
 - Business premises and land
 - Business networks and other support organisations
 - Employment and skills support
 - Financial assistance and support for business
 - Start-up business space
 - Stockton Start Up Programme
- Let's talk about our towns

3.5 This review was therefore initiated 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. Of further consideration was the key interface with the Tees Valley Combined Authority (TVCA), both in terms of their business support activity and the funding streams that they either manage or can access.

4.0 Findings

Businesses within the Borough

- 4.1 There are several thousand businesses registered within the Borough, from micro (up to 9 employees) through to large multi-national organisations. Each are important to the economy of the Borough and its residents, and the Council plays an important facilitation role in the sustainability and growth of these companies. As it is at the national level, the majority of businesses in the Borough are micro businesses, and the number of them has increased over the last 10 years.



- 4.2 As of 2018, the three largest sectors in terms of employment in the Borough were Health, Manufacturing, and Retail. The three most prevalent business sectors (as of 2019) were Professional, scientific and technical, Construction, and Business administration and support (see below).



- 4.3 Sizes of business that exist across the Borough are similar to those found in other parts of the UK, though Stockton-on-Tees is more of a 'branch' economy with larger organisations present but without their headquarters being registered here.

Business support and engagement at SBC

Key Functions

- 4.4 The Council's Business and Enterprise Team work with local businesses of all sizes to develop a better understanding of their operational needs. It seeks to engage business in the development of projects and harness the skills, knowledge and networks of the business community to promote economic development in Stockton-on-Tees. The Team engage with businesses in a range of ways, according to their differing needs, and this is done through a combination of targeted approaches, proactive initiatives and responsive services. Engagements with businesses can be multifaceted and the relationships will exist for a wide range of purposes, which can include being the initial point of contact for other Council services. Continued development of closer one-to-one relationships with businesses in order to understand and respond to their continued investment within the Borough is essential.

- 4.5 Previous changes within the Team have been focused towards supporting the implementation of the Economic Growth Plan (www.stockton.gov.uk/egp) – this has given the Team a greater emphasis on how it grows the business base within the Borough.

- 4.6 The concepts of business support and engagement were defined as follows:

- 'Business Support' functions: Access to Finance; Procurement and Supply Chain; Staffing (apprenticeships); Land and Property Searches.

People often assume that business support is predominantly about finance / cash – whilst this can be a feature, the definition of 'support' is much broader than this.

- 'Business Engagement' activities: the tools by which the business audience can be reached – these are used to meet demands for face-to-face, one-to-many or virtual contact with businesses across the Borough.

The Team is now able to engage with businesses in a more coherent and consistent manner due to the introduction of a structured 'account management' approach through:

- Establishing key contact relationships with each business;
- Arranging regular contact with the business, of a frequency that meets the needs of each business;
- Providing a clear, open and responsive communications channel direct to a nominated 'account manager' within the Team;
- Maintaining these communication channels through regular dialogue;
- Attendance at focused business events / meetings.

- 4.7 It was highlighted that the Team need to be able to work remotely and be out supporting business – Team meetings are therefore hosted around the Borough where businesses are located, and drop-in sessions are held afterwards. The CRM (web-based) system was a big help – staff are able to access this when out and about. However, there have been empty posts within the Team for 18-24 months which has contributed to support for business becoming more reactionary than proactive. A lot of what the Team does is building relationships, so there is a need to maintain regular contact – the Team look at which types of events to engage in (and endeavour to plan up to 12 months in advance), and have a broader reach through networks and social media.
- 4.8 The Committee asked what the biggest barriers were that the Team faced. In response, Team members reported that retail is particularly challenging with recent high-profile closures in Stockton centre mirroring national / international trends – a retail business support programme (offering mentoring, tailored 1:1 support) was therefore provided. Further challenges around being modern and adapting to the changing landscape (e.g. Tees Valley – moving from Business Compass to a new way of delivering the support under TVCA (see paragraph 4.35) so the Team can meet the demands of business were noted, as was the need to improve the use of social media to link in with local businesses. Mentoring, advice and guidance is always key too, and the Team need to work well and efficiently with partners.

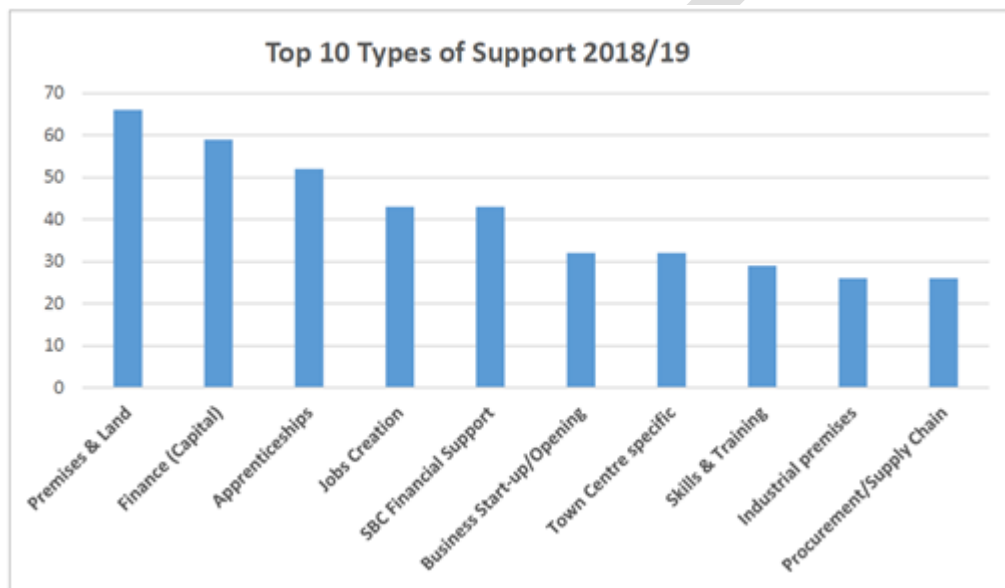
Communication of Support Offer

- 4.9 The Business and Enterprise Team use a variety of communication channels to ensure that it can keep business informed of support from the Council, partners and other agencies. Key mediums include:
- Council webpages
 - Public Property searches
 - partners (TVCA, DIT, Tees Uni, intermediaries)
 - word of mouth / referrals
 - Twitter
 - LinkedIn
 - networking events (TVBC, NECC, Stockton MET)
 - business forums (Cowpen BID, NEECC Area Meetings, Stockton BID).
- 4.10 To keep the knowledge base and understanding as current as possible, team meetings are used to invite partners, intermediaries and other agencies to explore and further understand ‘what’s on offer’ to business both locally and nationally. The ability to use various locations across the Borough to advertise ‘drop-in information sessions’ allows for a greater reach and a varied audience.
- 4.11 There are several specialist business events, meetings and groups that operate in the Borough and the wider Tees Valley area. These can present opportunities for the Team to network more informally with local businesses, enabling more specialist groups to be targeted (such as Digital, Chemical and Pharmaceutical, etc.) and better relationships within these sectors to be established.

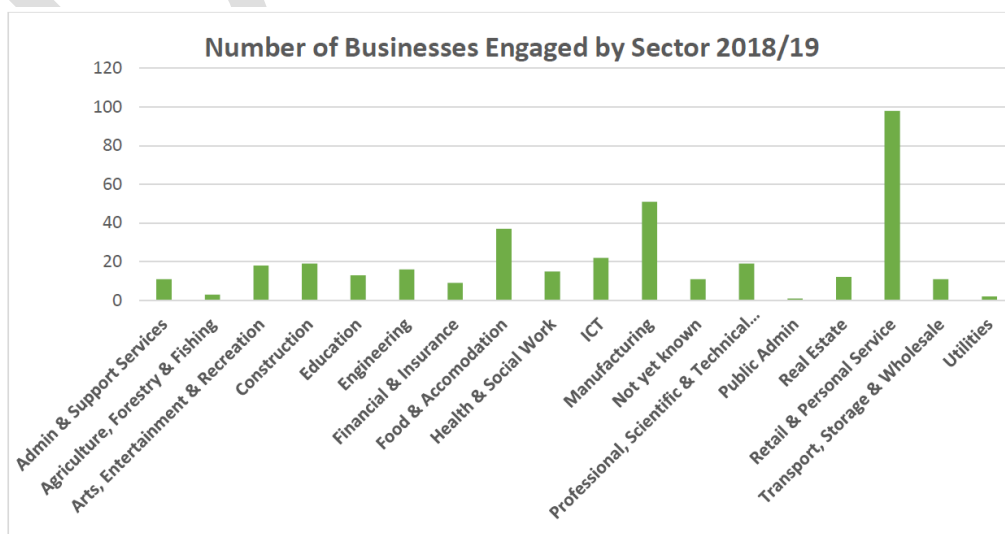
4.12 Members noted that a link to the Council’s website was the second result when searching for ‘Stockton business’ on Google – this offers some encouragement in relation to the recognition of support offered by the Local Authority to businesses.

Contact with Business

4.13 The Business and Enterprise Team provides a responsive service in dealing with enquiries from both new and existing businesses of all sizes. Depending on the nature of the enquiry, this will primarily be the provision of information (e.g. premises and sites) and signposting to advice and support by email, phone, website, etc.



4.14 Businesses based in Stockton saw the most engagement in 2018/19, followed by Billingham and Thornaby / Ingleby Barwick. During this period, the number of businesses engaged by sector was also outlined as follows:



- 4.15 As seen above, the Council undertakes a number of business support activities across the Borough, from advice and guidance, to direct financial support (see **Appendix 1** for case study examples). In recent years, the focus of this activity has changed, with a greater emphasis placed on creating a single point of contact ('one conversation') policy for businesses liaising with the Council. Some of the business-related services provided by the Council include specialist business support and advice for start-up and existing independent retail businesses (currently supplied by B-Supplied), and office space for new and existing digital businesses at Fusion Hive and Digital House.
- 4.16 There are a wide and varied number of industrial estates across Stockton-on-Tees, and the Team try to match incoming / interested businesses to the most appropriate locations.
- 4.17 The Committee was informed that the types of support requested does not tend to change much, but providers and criteria can. It is important that the Team are seen as a first point of contact, but are able to bring in other Council services (e.g. licensing, planning, etc.), if required, at an early stage. It was also noted that some businesses prefer to communicate digitally than meet on a 1:1 basis.
- 4.18 It was queried why significantly more contact was made with retail businesses as opposed to those sectors which had a greater number of businesses (i.e. professional, scientific and technical; construction; business admin and support – see paragraph 4.2). The Committee heard that the Team are more visible within Town Centres due to the ongoing high-profile challenges around retail. Also, some businesses within certain sectors do not often request support from the Council.
- 4.19 The importance of understanding micro-businesses was raised, as although they may be categorised together, there is a big difference between a sole-trader and a business employing 2-9 staff.
- 4.20 Members questioned how apprenticeships could be better promoted and were informed of Tees Valley-wide work to try to understand the barriers to employing apprentices. The Team reminds businesses about apprenticeship opportunities as part of their business engagement work, and highlighted the Youth Employment Fund (£1,000 to take on a Stockton-on-Tees resident).

Fountain Shopping Mall (formerly Stockton Enterprise Arcade)

- 4.21 Over recent years, there has been significant public and private sector investment in the Borough's Town Centres, with the aim of creating more competitive and attractive places where people want to live work and visit. A decision was taken in 2011 to further investigate and develop the setting-up of a retail incubation unit (test trading facilities) within Stockton High Street. After an initial trading period, it was evident that additional space was needed, with the original building no longer fit for purpose.
- 4.22 In early 2014, after an evaluation of available properties within Stockton Town Centre, the Council acquired the freehold of a large, four-storey, vacant building in the heart of the High Street. The refurbishment (ground and part-first floor only), repair and fit-out of the building was part-funded by a Heritage

Lottery Grant, and the newly acquired and refurbished building opened in November 2014 with a mix of single (12m²) and double (24m²) units at a cost of £50 and £75 per week respectively.

- 4.23 Since its opening, there has been a wide range of retailers (including baby clothes, handmade wool garments, fine art, cosmetics and handmade cakes, along with a café specialising in milkshakes and smoothies) that have traded under the banner of the Enterprise Arcade before it was renamed as the Fountain Shopping Mall in 2017. Not all retailers go onto trade on the High Street, but the Mall allows them to test out their business idea (e.g. might be better online).



Retail Support

- 4.24 Retail as a sector has continued to face many challenges, with an increasing number of national chains closing branches, not just throughout the Borough, but across the UK. It is evident that there can be no reliance on national retailers alone to occupy units within Town Centres, and there remains a need to enhance the retail offer and continue to support independent businesses across all the Borough's Town Centres.
- 4.25 There are many ways in which retail business support services can be delivered. Research undertaken in the Borough suggested that the retail sector is a very niche market and one which requires an innovative approach and specialist skills. A Retail Support Programme was devised / developed to support Stockton Town Centre independent retailers to equip them with the necessary skills and opportunities to start and grow a sustainable business. The Council has been able to provide specialist retail support since early 2013 which is now available across all the Borough's Town Centres.
- 4.26 Members acknowledged that many retail issues were outside the Business and Enterprise Team's control, but queried what could be done with the buildings in Town Centres. For those businesses that close, the Council identifies who owns the premises, with directors made aware so they can engage in conversations. Moving forward, it is important to identify what those buildings lend themselves to in terms of use. There is a database of property owners / agents, and an event was previously held to outline what the Council wants for Stockton. Town Centres cannot just rely on the retail sector and national chains.
- 4.27 The Committee noted the emphasis on businesses moving into Town Centres, and wondered why anyone would move into out-of-centre premises with high costs (rents / rates / length of lease), and why more units would be built in these places. The Team noted that it had no control of business rates and limited influence on landlords.

Made in Stockton-on-Tees

- 4.28 Members were reminded of the 'Made in Stockton-on-Tees' brand, a hallmark which recognises the presence and successes of local businesses. Products

from these organisations are available for purchase in the Hampton by Hilton hotel in Stockton, and a regular feature in Stockton News also helps promote such businesses.



The 'Made in Stockton-on-Tees' concept is not just about products – it considers people too – and will continue to be developed by the Team moving forward.

SBC Peer Review

4.29 The Council underwent a Peer Review in September 2019 of which a workshop took place covering inclusive growth. Feedback was provided and an Action Plan was developed in relation to the following:

Peer Review Action: Establish a shared understanding of inclusive growth across the Council and partners, and enable greater dialogue both between them and within the authority.

A shared action for Economic Growth and Development Services was identified, however, no specific actions relating to business engagement were ascertained.

Wider support partners and interface with SBC

4.30 The Council's Business and Enterprise Team continues to work with the Tees Valley Combined Authority (TVCA) to ensure that local business needs are reflected in sub-regional priorities and plans. Work is also undertaken with several business support providers to help businesses make the most of support available and the opportunities that emerge.

4.31 As well as promoting business-to-business opportunities, there are important forums for identifying the local concerns / needs of businesses and fostering public-private collaboration. The Team will continue to support in the promotion of appropriate business networks in order to harness the expertise and networks of the business community to promote economic development across the Borough. The Team's role is not to replicate the support services of other agencies but rather to:

- raise awareness of the business support available;
- provide advice and guidance;
- raise awareness of opportunities for businesses;
- identify the need for different forms of support to meet the needs of different businesses;
- improve connections between support providers, with the intention of improving the service received by businesses, regardless of who they receive it from.

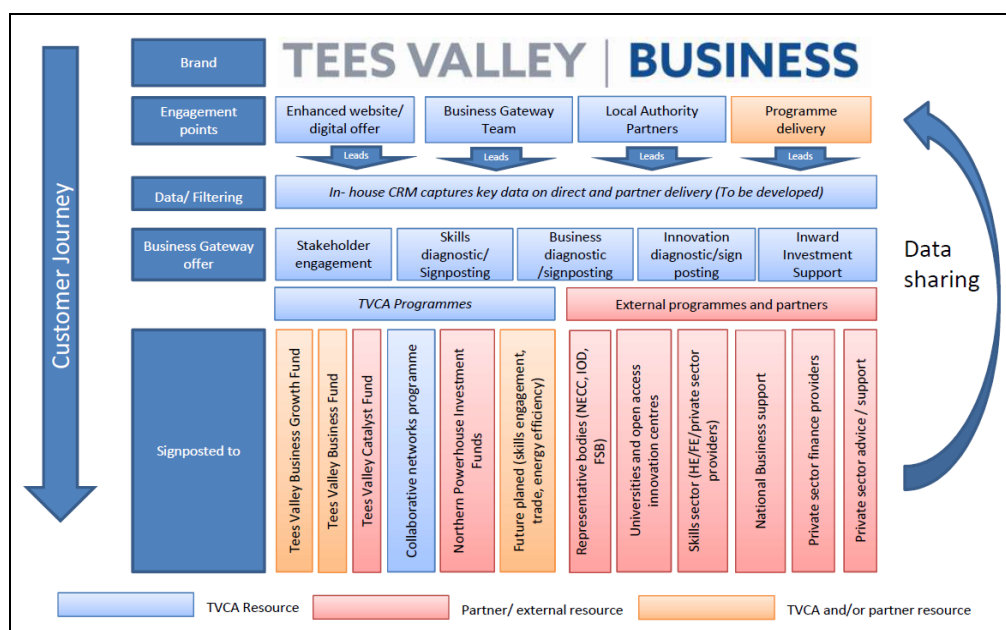
Tees Valley Combined Authority (TVCA) Business Compass

4.32 The TVCA Business Compass has been a three-year programme (commencing January 2017, though funding was extended to the 30th June 2020) which has operated as a 'front door' for businesses to access the right support to grow. Local SME businesses are assisted through the TVCA Business Compass 'Growth Hub' advisory service (free-of-charge) and via grants.

4.33 As of the 31st December 2019, there were 787 expressions of interest in TVCA Business Compass (408 from Stockton-based businesses) since its inception. Stockton also has around a 35% share of the grant programme (a fair share considering the number of SMEs across the Borough) and 200 new jobs have been created to date (with more than 400 in the pipeline).

4.34 TVCA Business Compass have one point of contact for each Local Authority, and partnership-working is consistent across the Tees Valley – this is facilitated through a real-time data portal, steering group updates / input and joint events, as well as access to the TVCA Business Compass Growth Service Manager. TVCA Business Compass has complemented the work of SBC to unlock barriers for businesses so they can access programmes and funding across the Tees Valley and beyond.

4.35 The next stage of the project will be a new in-house gateway model branded *Tees Valley Business*, a single point of contact for businesses needing help (see below graphic).



- 4.36 TVCA representatives confirmed that the Skills Support for the Workforce (SSW) contract (offering free training to help small to medium-sized eligible businesses based in Tees Valley to fill their skill gaps, raise productivity and boost business growth) would still be valid for several years (a similar, though enhanced, scheme is also expected to begin once this contract has ended). Similarly, European Regional Development Fund (ERDF) funding was guaranteed by the Government until the middle of 2023 – after this, a new source of funding will be secured (Shared Prosperity Fund).
- 4.37 The Committee questioned if there was a duplication of support services for businesses in Stockton-on-Tees and the wider Tees Valley area. Members were informed that the TVCA is funded and commissioned to operate as a holistic front-door for business enquiries. Once the TVCA has helped a business to achieve its aims, their interaction with the business ends. In contrast, the Council's Business Support and Enterprise Team has an ongoing relationship with businesses.

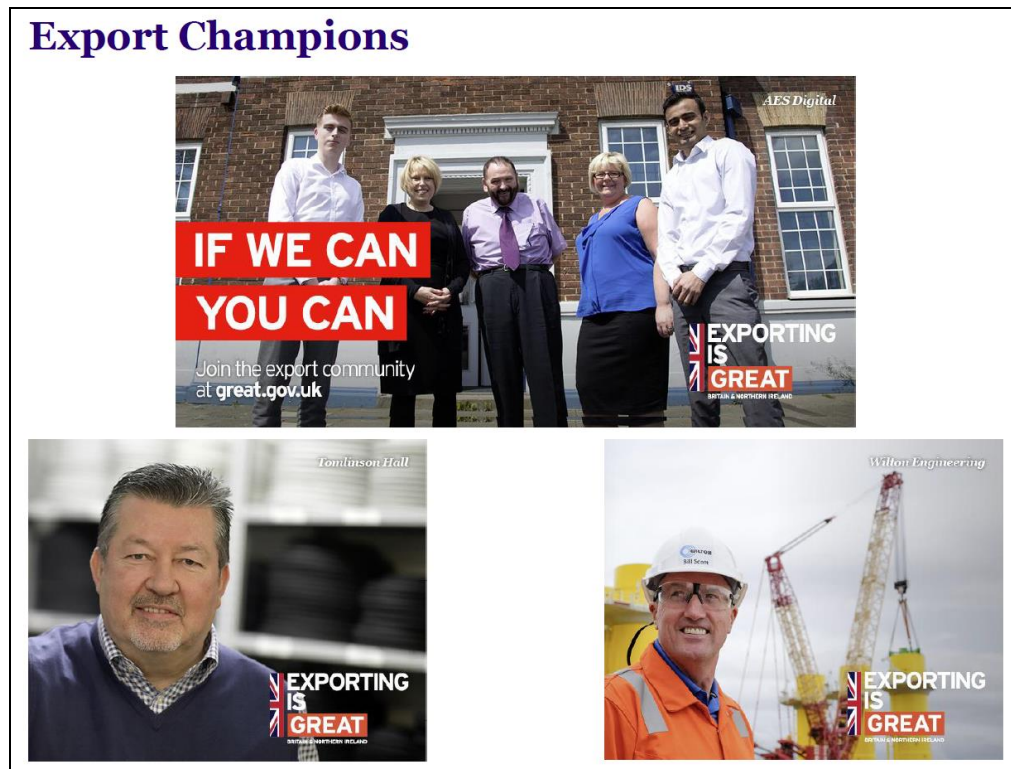
North East England Chamber of Commerce (NEECC) and Department for International Trade (DIT)

Department for International Trade (DIT)

- 4.38 The DIT Tees Valley Team (a government contracted-out service delivered via the NEECC) has assisted businesses to export for the first time and maximised the opportunities for those businesses who are already exporting. Joint-working and information-sharing with other organisations has formed a crucial part of its remit.
- 4.39 The DIT Team continued to provide one-to-one support (what businesses value most), funding opportunities, events / workshops and trade missions. Partnership-working with SBC was also highlighted, including joint meetings with the Council's Business and Enterprise Team, joint promotion of support

and services, and the hosting of the 'Exporting is Great' Hub on Stockton High Street. A future initiative is planned around business clinics.

- 4.40 The Borough is one of the leading areas within the Tees Valley for funding applications, and has secured the majority of 'business wins' in comparison to its neighbouring Local Authorities.
- 4.41 Businesses in the Borough have been recognised as 'Export Champions' (a programme promoted throughout the UK), and have been used in national marketing campaigns.



The types of companies which export from this region, including SME creative companies who have provided education and digital healthcare overseas, were noted. The 'British brand' was still highly valued overseas.

North East England Chamber of Commerce (NEECC)

- 4.42 The role and remit of the NEECC was explained. Established in 1815, it is the only regional Chamber of Commerce (funded by member subscriptions) and is apolitical. Services to members include Events, Commercial Services, and Policy and International Trade. NEECC run the DIT contract for the North East.
- 4.43 Area meetings take place in all Tees Valley Local Authority areas to inform members and receive their views. A team of Membership Advisors meet regularly with members, and NEECC represent business organisations on the TVCA Board (with 'enhanced observer' status).

- 4.44 A good working relationship was established between the NEECC and SBC, including quarterly meetings with the SBC Managing Director, and support offered on specific projects (e.g. Hampton by Hilton Hotel) – the NEECC are also statutory consultees on the Council's annual budget process. The Stockton Business Forum had been formed as a partnership between SBC and the NEECC – the need to improve the way the Forum currently functions was highlighted. The NEECC also felt that increased collaboration at the beginning of a project would be beneficial, and would welcome further opportunities to collaborate on inward investment in the future.
- 4.45 Looking forward, the NEECC will be supporting businesses ahead of any changes to the UK's trade policy following Brexit. Some overseas trade will inevitably become more challenging.
- 4.46 The Committee asked for views on the main barriers to local businesses, and queried how they would know where to go for support and guidance as there appeared to be a myriad of support partners. It was noted that businesses have a vast range of needs, and that there was no 'wrong door' for them to approach (businesses do not always know what they want when they contact the NEECC) – what is key is for support partners to work together so businesses can be directed to the most appropriate source of help.
- 4.47 Local Authority departments sometimes working in silos was also highlighted. Businesses can be affected by issues covered by Council directorates that do not have an economic-focus, and may therefore need access to advice or support from other areas of Council activity.

Teesside University

- 4.48 Teesside University's business mission is '*to provide client-focused knowledge services for industry, businesses and the professions that inform student learning and research to support innovation, regeneration and economic growth*'. To achieve this, teaching, research, business and international strategies are all aligned.
- 4.49 Through its large stake and presence, the University has a role in attracting businesses and highly skilled individuals to the region, and establishing international partnerships. It is a major employer and economic agent, and each academic school within the University has business-related performance indicators.
- 4.50 There are three key sections to the Department of Academic Enterprise's business-focused services:
- Business-facing (access to University expertise, talent and networks): Business Innovation Team, Apprenticeships Team, DigitalCity Team.
 - Student-facing (access to enterprise and employment): Student Futures.
 - Back office: funding, CRM, market intel, marketing, customer service, staff development, alumni (all supporting the above).

These sections are underpinned by stakeholder relationships (e.g. TVCA, Local Authorities, funders, policy bodies and business organisations).

4.51 Fusion Hive (right) in Stockton is one of the University's three physical locations, and the University has its own Business Innovation Team whose remit includes knowledge transfer, networks and business relationship, bid-writing with businesses, special initiatives (e.g. Grow Tees Valley), intellectual property and commercialisation, and the Enterprise Europe Network (EEN). The University also has a programme of higher and degree apprenticeships, and students are supported through careers and employability (recruitment, work experience and placements / volunteering / graduate outcomes) and enterprise (entrepreneurship / start-up incubation and support) services.



4.52 DigitalCity, a partnership with the TVCA, is a 'front-door' for the University's digital capabilities and was supporting other sectors to adopt technologies.

4.53 The University have a longstanding and good relationship with SBC, and have signed a *Memorandum of Understanding* – a framework for managing and increasing collaboration. Joint-working takes place through networks, forums and business events. As of February 2020, the University was working with 158 Stockton organisations (not including those offering student placements).

4.54 The University's main focus is to help businesses to grow – this is aided through graduate talent and employee development, innovation services that change business processes and products, putting the customer journey front and centre, and strengthening leadership and management capability within business. In addition, the long-running enterprise programme which had been developed to provide in-house training was noted, along with support from external organisations for start-up businesses. Launchpad and other services for young people were also available for SBC to take part in through the University.

4.55 The University's model for business is focused on quality and sustainability rather than quantity, and this approach had attracted interest from other Universities and organisations. Being responsive to what businesses want, as opposed to what support partners think they need, was vital.

4.56 The above partners were asked if there was a risk that others Local Authorities do not have a similar Business and Enterprise Team to SBC, yet still benefit from the services available from support partners such as themselves. The Committee was informed that local need can necessitate different approaches, and that partners are not there to duplicate Council support activity. Most are clear on what they can or cannot do, and the greater scale of activity in Stockton may demonstrate the positives in the Council's support resource allied to that offered by partners.

Experiences of local business

- 4.57 Due the nature of business engagement activities, feedback on the Council's support service mainly comes through comments and compliments from the businesses the Team work with. Several examples of positive feedback were provided to the Committee:

'I'd just like to bring to your attention the thanks of gratitude that the team from Stockton Borough Council are owed following the amazing way you all looked after a key investor when they came to look at setting up their facility in Stockton. I can tell you that the welcome the investor received was overwhelming and ultimately this got the project over the line.'

CEO - Local Engineering Company

'I've worked with the Business and Enterprise Team for a number of years, sharing knowledge on projects effecting the town and addressing issues faced by businesses. The B+E Team have often been my go to Team who will endeavour to solve any query no matter how obscure! Their friendly and approachable manner along with great problem-solving skills mean we work well together and get stuff done!'

Senior Manager - Shopping Centre Owners

Just wanted to drop a brief email to express my thanks to the team for helping me to re-locate my Stockton Branch onto the High Street, from the initial contact as to the potential availability of a High Street property through to financial assistance in the refurbishment the team enabled us to move forward and expand into larger premises and bring an empty unit back into life again. Must admit I have branches across Teesside and within other Local Authority control – none of which provide the help and support that comes anywhere near to that of SBC.

Senior Partner - Local Estate Agents

Just dropping you a quick line to say how much I have valued the collaboration and assistance given to me by the Business and Enterprise team over the last calendar year.

I spent the first half of the year working as Partnership Manager for DIT and more latterly in a similar role for the Entrepreneurs' Forum. The team are always approachable and helpful in providing support and guiding us to Stockton-based businesses.

We are all partners in the business support sector with a common goal to help business thrive & to increase employment for local people and economic output. Stockton Council are amongst the best at this partnership approach and full credit for the culture which is fostered by your Business & Enterprise Team.

Partnership /Event Manager Membership Organisation

Wilton Universal Group

- 4.58 The company was formed in Middlesbrough in 1994 and moved to its present location in Port Clarence in 2006. The site is 54 acres in size and situated directly adjacent to the River Tees. The company manufactures large complicated structures for the Oil & Gas, Subsea, Defence and Offshore Wind industries and currently employs circa 200 people.
- 4.59 Wilton originally found out about the Council's business support services via the website, and then quickly established relationships with the senior decision-makers within the Council who were very engaging and helpful. In terms of the support requested / received, Bill Scott (CEO) commented:

'Part of the 54 acres (17 acres) was rough undeveloped land and we were approached by Stobart Energy regarding securing a long-term lease on the land. We got in touch with SBC to discuss what support would be available to encourage a household name to invest in Stockton. The outcome was quick and decisive, we discussed what the needs of Stobart's were likely to be and I was personally introduced to each relative department within the council as a precursor to Stobart's senior people arriving. The outcome was that Stobart's visited SBC and were given an amazing reception culminating in Stobart's setting up in the Borough, employing close to 50 people and investing millions of pounds on the facility. In addition, because of the positive reception Stobart's received they also went onto invest into Teesside airport as an operator ... stating that this area was very welcoming, understands the need for business and is a place they want to invest in.'

- 4.60 Reflecting on the ways in which the Council could further help local businesses, Bill Scott added:

'I've always been a big believer in that small acorns produce large oak trees, and I know from experience it's almost impossible to start-up a business... generating a support package outside of the Town Centre for start-ups would offer long-term stability to the town.'

Abby Taylor

- 4.61 Abby Taylor, a self-employed graphic designer and illustrator who lives in Stockton-on-Tees and works from a home studio, provides branding, illustrations and graphic design services to a wide range of clients. In the summer of 2017, she and her partner won a competition to produce illustrations for Hartlepool railway station, a springboard towards her self-employment. Abby went on to create some Stockton illustrations that she could stock in local bookshop Drake to get some attention for her work, and this began her relationship with SBC.
- 4.62 Further support provided by the Team was outlined:
- Introduced to Team member and given opportunity to take part in the Youth Market.

- Double-page spread in Stockton News leading to increase in sales at Drake.
- Informed about Foundation of Women in Enterprise (FWE) – applied successfully for a grant.
- Signposted to an organisation for suitable meeting space.
- Informed about Enterprising Stockton awards – entered and won in one category; runner-up in two others.
- Assistance in attending FWE events which enabled networking and knowledge of local businesses.
- Informed about the visit of the Google Digital Garage – obtained tips to improve website performance.
- Asked to be a guest at the Team’s Tees Valley Business Summit stall.
- Commissioned to create an image of the Globe for postcards and art prints, as well as five township illustrations.

In summary, Abby Taylor stated:

‘Overall I’ve had a great experience with SBC once they got in touch, I got introduced to a lot of things I wouldn’t have known about prior which have all helped my business in the long run. I’ve worked really hard to grow my business, but appreciate the help I’ve had along the way. SBC have been nothing but lovely and seem genuinely excited that a creative self-employed person is thriving in their town and have wanted to do all they can to help.’

Site Visits

4.63 In March and April 2020, the Committee was scheduled to visit the Foundation Shopping Mall, Drake the Bookshop and Fusion Hive to seek further views from businesses on the Council’s support service. However, due to COVID-19, these had to be cancelled.

Future priorities and focus

4.64 Two significant developments took place during the course of this review. The first was the emergence of the COVID-19 pandemic in early-2020, a situation which has had huge ramifications for businesses and their support networks. Secondly, SBC underwent an organisational realignment which saw the existing Business and Enterprise Team moved to a different directorate and subsequently restructured. Following a hiatus in evidence-gathering, the Committee received an overview of the impact of COVID-19 on the Team, as well as plans on its future composition and focus.

Overview of the Council’s business support and engagement during the COVID-19 pandemic

4.65 The Council was one of the organisations that many businesses contacted about the business support available during the COVID-19 lockdown period. This was primarily in relation to the three business grant schemes and the

business rates relief administered by the Council, but also for guidance on the other business support measures available, and the closing and re-opening of businesses.

4.66 The Business and Enterprise Team worked to ensure that local businesses were aware of the package of business support measures that were available in response to coronavirus lockdown. With new measures being introduced and eligibility criteria for the support packages changing, they had to keep up-to-date with the latest information. The Team worked jointly with SBC Business Rates to get as many of these grants paid to businesses as quickly as possible. The Team handled most of the calls and emails about the grants, enabling the Business Rates team to focus on processing the applications and paying the grants.

4.67 In terms of financial support, three business grants were administered by the Council – a total of 2,811 grants with a value of £31,937,000 were given out to businesses across all three schemes (these are all now closed):

- Retail, Hospitality & Leisure (RHL) Business Grant (512 businesses have received grants totalling £9,605,000)
 - Provided businesses in the retail, hospitality and leisure sectors with a cash grant per property. Businesses in these sectors with a rateable value of under £15,000 received a grant of £10,000, whilst those businesses with a rateable value of between £15,001 and £51,000 received a grant of £25,000.
 - Properties that benefited from the grant were occupied and wholly or mainly being used as shops, restaurants, cafes, drinking establishments, cinemas and live music venues; for assembly and leisure; as hotels, guest and boarding premises and self-catering accommodation.
- Small Business Grant (2,089 businesses have received grants totalling £20,890,000)
 - Provided support to small businesses that already pay little or no business rates because of small business rate relief (SBBR) and rural rate relief (RRR). It provided a one-off grant of £10,000 to eligible businesses to help meet their ongoing business costs.
- Local Authority Discretionary Grants Fund (210 businesses have received grants totalling £1,442,000)
 - Additional funding was made available for some small businesses with ongoing fixed property-related costs who had been significantly impacted by Covid-19 but were not eligible for the Small Business Grant Fund or the Retail, Hospitality and Leisure Grant. A local scheme was developed in accordance with the government guidance and delivered over three phases with the first phase opening to applications on 2nd June 2020.

4.68 Other financial support administered by the Council was in the form of additional business rates relief:

- A business rates holiday for all retail, hospitality and leisure businesses for the 2020/21 tax year (there was no rateable value limit on the relief).

- Support for nursery businesses through a new 100% discount for nurseries for the 2020/21 financial year. Properties that benefitted from the relief were hereditaments occupied by providers on Ofsted's Early Years Register, or wholly or mainly used for the provision of the Early Years Foundation Stage.

The businesses that met the criteria were identified through the business rates list and bills were re-issued showing there was nothing to pay for 2020/21 financial year.

- 4.69 Most of the work the Team had done previously was helping start-up and growing businesses, but from the beginning of the lockdown the team had to adapt to working solely with businesses that were just trying to find ways to survive. The Team provided guidance on the eligibility for the grants and support with submitting grant applications, and also helped ensure people were aware of the information on the other business support measures on the GOV.UK website and guided them to the most relevant support for their business. Enquiries were also received about which businesses had to close and which business were allowed to re-open at the different stages as restrictions were eased – these were either referred to the Council's Environmental Health team or responded to direct with the advice from that team.
- 4.70 Many people found themselves struggling financially, still having to pay rent for their premises and other business bills despite having to close their business. People appreciated having someone to talk to and the Team were able to guide them to the information on the relevant support for their business. One business commented '*Got to say, SBC have been incredibly supportive for our business throughout this time – thank you very much!*'.
- 4.71 Although all the businesses thought to be eligible for the small business and RHL grants were written to early on, it became apparent that some had closed and left their business premises before the letters had arrived. The grant schemes were promoted through the media, including the Council's social media channels and website, but after a few weeks there were still a number of potentially eligible businesses that had not come forward for the grants. The Business and Enterprise and Business Rates Teams worked to find other contact details for those businesses and then proactively contacted them to make sure as many as possible had the opportunity to claim the grants.
- 4.72 From the beginning of the lockdown to early-July 2022, the Team handled nearly 2,500 phone calls and responded to over 1,200 emails. The first few weeks at the beginning of April 2020 were the busiest – in one week, the Team handled nearly 600 calls. Although this contact with so many businesses was driven by the extreme circumstances brought on by the pandemic, it led to a much wider range of businesses now being aware of the Team and the help it can provide.
- 4.73 When the volume of calls and emails started to reduce and some lockdown restrictions eased, it became possible for the Team to proactively re-connect with a wider range of businesses, particularly those who the Team had some contact with prior to the virus. It was possible to ascertain if they had been able to access any of the coronavirus business support measures available, how well the business had managed through the lockdown period, what plans

they had in place for recovery, and if they needed any additional support. In addition, contact was re-established with some of the young people previously supported through enterprise programmes.

- 4.74 The Committee recognised and commended the Team for their proactive work during the pandemic, particularly the new relationships being formed. It was reiterated that the Team worked remotely during this period and this brought additional challenges.
- 4.75 Around 90% of businesses which were eligible for grants received them (placing the Council in the top 10 Local Authorities nationally). The grants were funded by the UK Government but issued through Local Authorities, so there was no direct cost to the Council. Intelligence on the types and sizes of businesses which were provided with grants could not be obtained because this was a national scheme.
- 4.76 The grants were not targeted at start-up businesses and were aimed instead at businesses which had been trading for a certain amount of time. The Team assisted start-up businesses as much as possible, have stayed in contact with businesses which closed during this period, and have also assisted new businesses.

Changes to the Business and Enterprise Team (including future priorities)

- 4.77 A recent Smarter Working in Stockton (SWiS) review of the Economic Growth Service analysed key interactions between the individual teams and the wider directorate / Council, the readiness of the service for future changes and current job roles. From this analysis, it was evident that, with a reducing workforce, the service needed to be flexible in order to adapt to future demands, and that job roles need to be amended, adapted and created to enable that flexibility. The recommendations from the Peer Review 2019 were also considered.
- 4.78 The focus of the Team over the last 3-4 years has not been particularly clear, with further uncertainty brought by several changes in management. Over the past 2-3 years, the Team had been primarily performing a business relationship function, with the relationship itself being an outcome and measure of 'success'. There is now a need and desire to take a more active role in the *Inclusive Growth* (how growth impacts upon the people of the Borough) agenda.
- 4.79 Now sitting within the Finance, Development and Business Services directorate, the Team will benefit from the alignment of key services and will focus on the following four main areas of work:

Business Support	This is the provision of advice, guidance, signposting, etc. (the 'bread and butter' of the Team's work), and there will be greater emphasis on things like start-up support during the current economic situation.
Inward Investment	The scope of the Team needs to adapt to the desire to take a more proactive role in inward investment and business growth across the Borough (further emphasised during the Peer Review when the Peers were clear that the Council's Members needed to adopt the role of 'Leaders of Place').
Business & Economic Intelligence	The need for any intervention, direct or otherwise, to be evidence-led is now well defined within SBC, however, the Council is still in a place of being considered 'data rich, intelligence poor'. Key role in targeted business engagement / support.
Employment, Education & Skills	A role for the Team around overview of provision of support and services across the Council and external partners. Link to TVCA very important in the future (Adult Education Budget, Routes to Work, etc.).

Currently, the Team does not have a Service Manager, though the Council are close to appointing one. Views of the successful candidate will be sought around how to deliver the objectives identified above.

- 4.80 The Committee questioned if a register of available property and land could be collated for prospective business owners. Members were informed that this work was ongoing, and the Place Development team were gathering intelligence on land across the Borough.
- 4.81 During discussions around inward investment, it was noted that Council Officers are looking at ways to market the Borough and attract investment. SBC continued to work alongside the TVCA regarding this, though the Committee observed that TVCAs focus may be more on the South Tees Development Corporation, therefore it was good for the Council to prioritise this itself.
- 4.82 The pandemic highlighted the need for the Team to be more active and to assist the people of the Borough with the development of skills and support during times of change. Future support for start-ups and aiding employment will be crucial in light of the impact of COVID-19.
- 4.83 The Team have monitored accommodation markets and the impacts of remote-working on future accommodation requirements for businesses. Also, the Team have always signposted charities and voluntary organisations to alternative avenues of support if they have been unable to help.
- 4.84 The Committee asked for any examples of work undertaken with groups that had protected characteristics. The Team have frequently provided support to Tees Women in Business, though acknowledged the need for some future targeted support for BAME groups and disabled people. The Team was open to suggestions on ways to improve opportunities for skills and employment provision for any groups they felt the team needed to work with.
- 4.85 Focusing on young people would also be vital moving forward as they are likely to lose out the most from the pandemic due to their involvement with the

hardest hit industries (e.g. hospitality). Work around employment, education and skills with schools, colleges and universities would therefore be a future priority.

4.86 To aid discussions on the future direction of the Business and Enterprise Team, Committee Members provided several views on potential areas of focus. Comments included:

- It is important that links are retained, even with a turnover of key staff, to ensure that businesses continue to be signposted to help that they otherwise would not know existed.
- The Team serves a valuable purpose in being able to respond positively to emerging demands.
- Understanding what is happening across sectors for Stockton businesses is important – it helps us better inform future strategy.
- Partnership-working seems very strong and positive – whichever door a business knocked on, they would be referred to the most appropriate organisation to help. This must continue – we must continue to play a part in being relevant and on the ball, understanding which solutions are on offer from which organisation to resolve the issues that a business might raise.
- Developing 1:1 relationships with our businesses seems to have been a strong point – this should be encouraged in the future too. It gives the Council considerably more credibility and relevance with business when they know the names and faces of the people who are available to support them.
- New developments could include innovative and exciting 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).
- Local business networks need reviving. They could be happening right now on Zoom or Teams, etc.
- Introduction of a *Checktrade* concept embracing businesses across the Borough through an online directory – it would be a great resource if the Council could provide lists of local businesses in the Borough who provide the kind of services that other local businesses in the Borough might need. It could be something that businesses created their own entries for – that way the Council would not be held responsible for their performance.

5.0 Conclusion & Recommendations

- 5.1 A key catalyst for the initiation of this review was the sense that the Council's Business Support and Engagement 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.
- 5.2 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.
- 5.3 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.
- 5.4 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.
- 5.5 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.
- 5.6 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 Engagement Team and the Business Rates Team during these exceptional times.

- 5.7 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 Engagement 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.
- 5.8 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.
- 5.9 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 Engagement 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).**

(continued overleaf...)

Recommendations (continued)

The Committee recommend that:

- 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 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.**

DRAFT

APPENDIX 1: Business Support and Enterprise Team – Case Studies (Support and Engagement with Business)

CASE STUDY: SECTOR-BASED

Initial Enquiry: 3rd Party contact to discuss information regarding land usage, potential environmental concerns and access rights to an engineering site.

Initial meeting: Met with land owner initially to further understand plans regarding expansion and new investor, agreed way forward in relations to support regarding access rights, planning and any financial support to both land owner and investor.

Support Offered: After Initial diagnostic completed, the B+E Team coordinated Partners and investors with sign posting to TVCA and Other partner agencies to enable access to funding to support their own investment. Co-ordination of planning application and environmental concerns raised.

Outcome: New investor on-site and have been introduced to the wider business community, site now operating and investment into the wider area.

Post: Regular meetings now included within Forward plan and ongoing support enquires picked up.

CASE STUDY: LOCATION

Initial enquiry: contact from an existing town centre business, requiring larger premises to grow their current business model.

Initial meeting: met with business owner to gain insight into background as to why the business needs to move, purpose of growth and investment. It was important to the business for continuity reasons, to remain in very close proximity to their current premises.

Solution: following a detailed search a property was identified which appeared to fit the criteria identified by the client. The property was actually owned by SBC and a viewing was arranged with the client. Following numerous discussions and further meetings, the client indicated that they wanted to purchase the building. The property was advertised on the open market to enable a transparent purchase of the building and disposal of SBC Stock. The client was kept fully up to date and advised about timescales procedures throughout.

Outcome: The client was successful in purchasing the building and continuation of support was given throughout the refurbishment with coordination of support from planning, building regs etc. to assist with change of use and eventual opening of the building. SBC was also able to provide a small retail grant to assist with associated works.

Post: continue to meet with the business and work alongside Stockton BID to help the business grow and develop.

APPENDIX 1: Business Support and Enterprise Team – Case Studies (Support and Engagement with Business)

CASE STUDY: PROPERTY DEVELOPER

Initial Enquiry – Re- Development of a high profile building located in Stockton Town Centre.

Initial Meeting – The building had previously been a magnet for anti-social behaviour and licensing problems, we were keen to work with the new owners to see an enhanced offer and ways to reduce anti-social behaviour. Approach taken was one of a collaborative across council departments in order to offer a single point of contact and cohesive service.

Ongoing: B & E Team pulled together a site meeting at short notice, which included Planning, Building Control and Licensing Team Leader's, who were each able to offer practical, face-to-face advice and address any issues, prior to work starting. The developer was delighted with the service and was also able to get individual contacts for each element of the scheme, so the process was able to run smoothly, throughout the re-development process.

Outcome: Building opened on time and to a very high standard.

Post: B&E Team continue to work with the developer on other sites and offer a gateway to other council services.

CASE STUDY: APPRENTICESHIP

Initial Enquiry: contact received via a Child in Care Personal Adviser who were working with a young person who had the potential of a job as an apprentice chef in a local hotel.

Initial Meeting: Principal Employability Officer approached the employer to discuss the options open to them and the different type of support and funding that was available. The business had not employed an apprentice previously and did not know where to start. They did not know who could deliver the training and were unclear of their responsibilities , obligations and the current level of financial support available. In addition, the young person was reluctant to attend college due to some insecurities.

Ongoing: The Officer investigated which local training providers could deliver the Professional Cookery apprenticeship and provided a short list of providers for the consideration of the employer, which included details of one provider that could deliver the apprenticeship on the employer's premises. Details of the Tees Valley Combined Authority's Apprenticeship Grant for Employers and other local funding was provided.

Outcome: As a result of the support offered and the ability to access the cocktail of funding the employer agreed to employ the young person as an apprentice chef. The employer selected the training provider that could deliver on their premises, benefitting both the business and the young person. The Officer also arranged through other funding streams to secure a set of 'kitchen whites' and a starter set of knives for the young person.

APPENDIX 1: Business Support and Enterprise Team – Case Studies (Support and Engagement with Business)

CASE STUDY: PRE-START / TEST TRADING

Initial Enquiry: Pre Start retail business.

Referral – after initial consultation with the applicant, B Supplied where engaged to support Test Trading within Fountain Shopping Mall.

Initial Meeting – 1:1 meeting between B Supplied and the client to discuss the viability and potential for the business to trade. B Supplied completed an assessment which reviewed the business idea, agreed some initial goals and confirmed how the business would be funded and gained an understanding of client’s personal circumstances.

Initial outcome: initially offered a “pop-up” shop for up to 4 weeks, to provide the client with the opportunity to “test trade”

Current position – After Initial ‘test trade’ period the Tenant has taken on a full time tenancy and has now been trading for over 6 months and continues to access support from B Supplied with identification of continued growth and next steps.

CASE STUDY: SPECIALIST RETAIL SUPPORT

Initial Enquiry: Town Centre Retailer, A variety of business related concerns relating to specific retail issues.

Initial Meeting: Following assessment of needs and meeting the business owner, B&E Team quickly became the single point of contact within the Council and coordination of council matters. A referral was made to access specialist retail support from providers B-Supplied.

Support: B-Supplied undertook a review of business concerns and action plan devised. B-Supplied were able to support on the following: financial reporting systems, review of profit margins and a rationalisation of stock. B&E Team continued to act as the single point of contact for council matters and liaison with other departments.

Outcome: The business has been able to continue trading and is now operating on a much more secure footing.

Post: B-Supplied have remained in contact, on an ongoing mentoring basis.