

Economic Development Committee



9th June 2022

Title	<i>Recovery Plan Update</i>
Purpose of the report	To note
Report Author	<i>Keith McGroary Economic Development Manager</i>
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	<i>N/A</i>
Corporate Priority	Recovery
Recommendations	Committee is asked to <i>Note the report</i>
Reason for Recommendation	<i>Not applicable</i>

1. Summary of the report

- 1.1 This report seeks to provide an update in relation to the recovery plan with reference to economic development.

2. Key issues

- 2.1 This report needs to be read in the wider context of the economic situation more broadly as the UK emerges from the COVID pandemic and from survival mode to thrive mode. The legacy of Brexit is also continuing to affect the economic situation.
- 2.2 Our proximity to Heathrow means that as a borough we are closely affected by changes in the aviation sector. Post pandemic, the aviation business is picking up fairly rapidly and passenger numbers have recovered well. One of the challenges facing Heathrow is on the employment front as they are now encountering difficulties in filling some types of posts. This is reflected in a general tightness in the labour market, which will benefit those with the right skills, but does leave business with the challenge to securing the right labour force. This is an issue that we as a Council are looking to address through the delivery of the Youth Hub for example.
- 2.3 Other emerging challenges includes the steep rise in energy costs and the increase in inflation which will start to affect a greater proportion of the residents in our borough as we move towards the end of the year.

Update on the Economic Development aspect of the Corporate Recovery Plan.

- 2.4 The reference letters starting ER1 below relate to those within the Corporate Recovery Plan. The previous update for the Committee was on 22nd March 2022, so there has been just over 2 months since the last report which means not a huge amount has taken place in the intervening period, especially with the team focusing on delivering ARG grants to local businesses. The top priority for the Economic Development Team was to focus on processing grant applications so that the funds could be passported to our businesses before the deadline of 31.3.2022, then following up to collect receipts for purchases made via the equipment grant.
- 2.5 ‘ER1’ *Continue to monitor, measure and understand how COVID has affected local businesses and adapt to respond to impacts.* Through the administration of the ARG the Team have been in regular communication with local businesses throughout the pandemic, indeed they have reached out to many businesses that they had never had contact with previously. These communications carried out as a result of applications for grants allowed a more forensic view of the financial impact the pandemic had on most businesses.
- 2.6 Now that all restrictions have been lifted and normality almost completely achieved, the focus will turn to understanding how businesses have responded to the support that has been provided. There is already evidence that Spelthorne has more businesses operating now than what there was before the pandemic.
- 2.7 The main focus of measuring and understanding the impact of Covid-19 will be captured through a survey that will be carried out in 2 stages; the first 6 months after the ARG funding ceased and the second 12 months after grants ended. In between that time, the Economic Development Team will also be making personal visits to businesses that had received funding for equipment and solicit feedback as to the difference it has made.
- 2.8 A dashboard has also been previously produced and circulated to councillors; this illustrated the total level of unemployment in the borough, as well as within the 18-24 and over 50 age groups. Figures are then put into context by comparing Spelthorne data to the Surrey average. A new update will be produced in June 2022 in advance of the next Committee meeting.
- 2.9 ‘ER2’ *Provision/signposting of advice and support:* The advice and support area of the economic development area of the council website is now a standard feature. Additionally, specific items of news, particularly regarding jobs have been circulated via our communications team through social media.
- 2.10 As a result of some of the ARG funds being invested in business support we now offer classes on social media for business, 1-1 business support, provision of websites and advice on how to make cost savings, particularly through energy use. More details are provided within the ARG update paper.
- 2.11 ‘ER3’ *Keep under review the Council’s discretionary grant policy:* A separate report in relation to the Discretionary Grant also known as the ARG (Additional Restrictions Grant) is provided for this meeting.
- 2.12 ‘ER4’ *Implement our new Economic Development Recovery Plan:* This has been absorbed within the Corporate Recovery Plan.
- 2.13 ‘ER5’ *Continue to work with the Jobs and Recovery Task Group:* This group has met on 3 separate occasions so far and consists of representatives from

A2D, Job Centre Plus, Brooklands College and Runnymede Council. The main purpose of the group is to share information and what projects or initiatives that each member of the group is working on so that there is the opportunity to enhance delivery through synergy whenever possible so that duplication of effort is reduced. The group has not met since July 2021 when restrictions were lifted but agreed to meet at a future date if there was a need to do so. No requests for meetings have been received since July. This group is not likely to meet again.

- 2.14 'ER6' *Support/promote employment and training initiatives:* The official Youth Hub and I Choose Local launch event was on the 4th March at the Guy Salmon showroom in Sunbury. There are several businesses already engaging with the project who are looking to employ young people for example, McDonalds, Marriott Group, Footrace, Berkley Homes, Jaguar Landrover (Sytner Group) French Brothers. Closer to home, apprentice opportunities within Spelthorne Council are being shared with the Youth Hub.
- 2.15 'ER7' *Work with partners to bid for funding for a Youth Hub in the Borough:* The application for funding was successful and the Youth Hub opened in November 2021. Since then, we have run an Apprenticeship information evening for young people and their parents which was well attended. We are looking to replicate this in June and July catching those that are finishing the kickstart placements and college placements.
- 2.16 Number of young people assisted - There have been 44 referrals from DWP (Department of Work and Pensions) 38 external referrals; 7 have been helped into education, 12 have gone into full-time employment, 2 into an apprenticeship and 13 have been given work experience opportunities. Two courses have been run to help young people with their preparations to start work.
- 2.17 A separate and more detailed report will be prepared for the Committee meeting for September 2022.
- 2.18 'ER8' *Set up pop-up-shop where budding entrepreneurs can test the market in advance of setting up a business:* This will progress as soon as available accommodation can be located. This will probably be reliant on access to vacant retail units within the Elmsleigh Centre for an opportunity to provide this ambition, even if it is for a few months.
- 2.19 'ER9' *Prepare and promote our new business incubator:* The operator of the Hub is Co-Tribe CIC and the doors opened for customers in September 2021. As Co-Tribe are a Community Interest Company a mandatory 80% discount and 20% discretionary discount has been applied to the business rates (full value £18k), which would have otherwise fell to SBC.
- 2.20 The pandemic has affected occupancy in the same way as many other offices, which has meant that there are not as many businesses as originally expected.
- 2.21 Five further offices have been built within the incubator giving a total of eight. They are all occupied with the exception of one which requires some electrical work, these generate just over £5,000 a month. Work is now on-going to increase the number of hot-desking residents within the building. An Open

Day is taking place on 8th June which will be taking place all day and into the evening.

- 2.22 'ER10' *Promote opportunities in the Borough for the development of 'green' jobs*: The new 2022-2027 Economic Strategy will include actions to support a greener economy. The ARG funding has actually contributed to reduced emissions through grants that have replaced old inefficient equipment such as a laundrette washing machine which cost £10,000.
- 2.23 'ER11' Promote 'shop-local' to our residents and promote 'buy local' procurement within SBC: The new 5-year Strategy will contain a number of activities with the action plan. A baseline is also being set with regards to the current amount of procurement under £5,000 by SBC in the borough so that we can measure the impact of changes made to procurement standing orders.
- 2.24 'ER12' *Provide additional frontline support for Ashford, Sunbury and Shepperton businesses*: The last update focused on some of the activities the TCM such as over the Xmas period and the fact that the role has now been expanded to include shopping parades in the borough. Obviously, this extension will spread the TCM further across the borough.
- 2.25 The TCM will be producing a draft Town Centre Strategy which forms one of the actions from the new Economic Prosperity Strategy (EPS). The EPS will be available for the September Committee meeting. The results of the survey will be included in a Town Centre Manager update report in September.
- 2.26 Over the coming months visits will be made to premises that received financial support via the ARG for equipment or shopfronts to gauge progress that has taken place, confirm the equipment has been purchased and obtain any outstanding receipts. This interaction will also allow us to collect and identify any case studies that can be publicised.
- 2.27 'ER13' Work in collaboration with Staines-upon-Thames Business Improvement District (BID: On 1st April 2022, the Staines Bid received a 'yes vote' which was made up with yes votes by individual businesses of 84.72% and 89.72% by rateable value. The overall turnout was 54.13%. This has secured £1.8m over the next 5 years through the payment of the levy to enable Staines-upon-Thames to compete with other town centres.
- 2.28 The BID Manager who had been in place for the last 5 years of the BID has left, and processes are currently in place to recruit a new BID Manager. The BID Board has representation from SBC in the shape of Terry Collier who is also a director, and Keith McGroary.
- 2.29

3. Options analysis and proposal

- 3.1 Not applicable

4. Financial implications

4.1 Not applicable

5. Risk considerations

5.1 The recovery plan seeks to mitigate the impact of the pandemic on the local economy from businesses to the access to jobs; the actions contained within the plan if delivered will reduce financial hardships and a loss of business to the local economy.

6. Legal considerations

6.1 There are no legal implications as there are no legal requirements to carry out a recovery plan..

7. Other considerations

7.1 There are none.

8. Equality and Diversity

8.1 The impact on equality and diversity issues is considered at every action

9. Sustainability/Climate Change Implications

9.1 Use of the ARG funding has potential to have a positive impact on the environment through new equipment which is greener and less polluting.

10. Timetable for implementation

10.1 In accordance with the Corporate Recovery Plan.

11. Contact

11.1 Tracey Carter t.carter@spelthorne.gov.uk

Background papers: There are none.

Appendices: There are none.