

REPORT TO	ON
CABINET	Wednesday, 5 August 2020



TITLE	PORTFOLIO	REPORT OF
Business Recovery Post COVID19 - Member Working Group	Cabinet Member (Planning, Regeneration and City Deal)	Director of Planning and Property

Is this report a KEY DECISION (i.e. more than £100,000 or impacting on more than 2 Borough wards?)	No
Is this report on the Statutory Cabinet Forward Plan ?	No
Is the request outside the policy and budgetary framework and therefore subject to confirmation at full Council? This should only be in exceptional circumstances.	No
Is this report confidential?	No

PURPOSE OF THE REPORT

1. The report provides a summary of the activities and the key issues addressed by the recently formed Business Support COVID19 Member Working Group

PORTFOLIO RECOMMENDATIONS

2. That Cabinet approves the Terms of Reference for the Member Working Group as outlined at paragraph 13 of the report.
3. The Member Working Group ask that Cabinet:
 - Ensure that all Business Grant payments are maximised before the grant closure on 28th August 2020 and that the amount of unused funds is either nil or minimised
 - Prioritise support for businesses and employees with regard to mental health support as part of the South Ribble Together Community Hub
 - Ensure funding is directed to our high streets Borough wide to support businesses, market the centres, provide advice to businesses and increase footfall
 - Consider measures to address business cash flow beyond the current grant regimes – a dedicated financial response to support local businesses needs to be established

- Approve in principal a temporary increase of resources in the Investment and Skills team to provide a focused period of business support for the next 18 months
4. The Group asks that the Leader lobbies the Lancashire Economic Partnership, the local MP's and Government Departments for funding to provide longer term support for businesses in the Borough especially in the context of the economic impacts not yet being fully felt

REASONS FOR THE DECISION

5. The Member Working Group was formed as a response to the COVID19 pandemic with a request to feedback to the Cabinet on its activities.

CORPORATE OUTCOMES

6. The report relates to the following corporate priorities: (tick all those applicable):

Excellence, Investment and Financial Sustainability	✓
Health, Wellbeing and Safety	
Place, Homes and Environment	✓

Projects relating to People in the Corporate Plan:

Our People and Communities	✓
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BACKGROUND TO THE REPORT

7. Following the COVID19 pandemic, the lockdown, and the major impacts on the economy a dedicated response to the business community was required. South Ribble Council were charged by central Government to deliver grants to small businesses and those in the retail, hospitality and leisure sectors. More recently South Ribble have been delivering discretionary grants.
8. Alongside the delivery of grants the Council has also provided a dedicated enquiry line and email for businesses to seek advice from.
9. Given the impact on the economy it was decided that a Member Working Group should be formed to assist and advise officers and the Cabinet in supporting the local economy and shaping the recovery phase.

PROPOSALS (e.g. RATIONALE, DETAIL, FINANCIAL, PROCUREMENT)

10. The Member Working Group first met on 10th June 2020 and since then has met six times.

11. The Member Working Group was set up with the following Members:

- Cllr. J Flannery (Chair)
- Cllr. W. Adams
- Cllr. D. Howarth
- Cllr. P. Smith

12. Additionally, the Member Working Group has been serviced by the Director of Planning and Property, the Director of Customer and Digital, the Deputy Director of Finance and Officers from the Investment and Skills and Business Rates teams.

13. At the first meeting of the group the Terms of Reference were as agreed as follows:

- To identify and support small and medium sized businesses, especially those who have fallen outside of Central Government support.
- The Working Group shall consider the wider business support available but shall limit its intervention to the businesses where it can have maximum impact in South Ribble.
- To understand the pressures and issues facing businesses by targeted engagement and businesses.
- The Working Group shall meet weekly, with a view to reducing meetings should the situation with COVID19 and businesses improve.
- The Working Group shall report back to Cabinet in July and September 2020, due to the uncertainty of the situation the next report dates will be decided by the Group in September 2020.

14. At each meeting the Group has been provided with an overview of where the various grant streams are up to and this is shown in the Dashboard at Appendix 1. The Group have particularly focused on the Discretionary Grants where the criteria are looser and the Council has the authority to award grants differently to the set criteria for small businesses and those in the retail, hospitality and leisure sector. Appendix 1 to this report provides a snapshot of delivery of small, retail and discretionary grants.

15. In terms of the discretionary grants the Member Working Group have heard about particular anonymised business circumstances and provided views on these so that Officers consider them as part of any grant approval process. The Group have also been very keen to ensure payments have been issued quickly whilst recognising that a robust and fair process needs to be maintained.

16. One key area that the group has been keen to explore is hearing views from local businesses. To date the group has received views from a local estate agents, a representative from the Federation of Small Businesses, and representatives from the Leyland Town Team. The Group were encouraged that the feedback was that the economy of South Ribble has not been as impacted as some other areas but there was a clear recognition that the economic impacts may not be fully felt until the autumn. The Group were also encouraged that the views the Council held were in sync with the business community. A key issue that has

come out very strongly from the businesses is the impact on mental health from the crisis and the consequences for a healthy workforce. This is an area the Group would like to explore further.

17. The Group has also received reports on wider responses at the Lancashire County level such as the Lancashire Recovery Plan and the role of the Lancashire Economic Partnership.
18. The Group has also been provided with the opportunity to shape a Business Recovery Plan for the Borough which will shape the work of the Council's Investment and Skills team (and others) for the next 18 months to two years.
19. Key issues that the Group would like highlighting to Cabinet are as follows:

Business Recovery Post COVID19 - Member Working Group – Key Issues

- General feeling of uncertainty and fear of second spike which is impeding forward planning for businesses
- Contraction of the economy and an understanding of what is the new norm for SMEs – Examples referenced included restrictions in pubs, cafes etc and impact on footfall in the high street
- Cash flow
- Mental Health of business owners as well as employees
- Council is listening and engaging with Business owners – Collate the issues raised
- Signage and messaging that our towns and villages are open for business but recognising health and safety restrictions – communications utilising website, social media, posters, banners etc

CONSULTATION CARRIED OUT AND OUTCOME OF CONSULTATION

20. As part of the Member Working Group particular groups, sectors and business representatives have been invited in to provide a view on the economic impacts in the Borough.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

21. None

AIR QUALITY IMPLICATIONS

22. There are no air quality implications.

RISK MANAGEMENT

23. Detailed work was undertaken at the roll out of business grants to ensure robust processes were in place. The grant application and decision making process has been agreed with key inputs from Finance and Audit.

EQUALITY AND DIVERSITY IMPACT

24. Business support has been delivered with to ensure all eligible businesses can seek grants or other forms of support.

COMMENTS OF THE STATUTORY FINANCE OFFICER

25. Recommendation 3 includes considering measures to address business cash flow beyond the current grant regimes, and that a dedicated financial response to support local businesses needs to be established. The financial implications of any proposed measures will be assessed and reported to Cabinet for approval at a future date.
26. Recommendation 3 also includes the principal of a temporary increase in staffing to the Investment and Skills team. The exact resourcing requirements for the team are still being assessed and when these are known the cost implications will be reported to Cabinet along with the proposed means to fund them. Work is also underway to consider potential restructures to other teams within both the Neighbourhoods & Development and Planning & Property directorates. Once the proposals are finalised the implications for all services, including the Investment and Skills team, will be reported in one report to Cabinet.

COMMENTS OF THE MONITORING OFFICER

27. There are no issues of concern from a Monitoring Officer perspective with this report. Clearly as a responsible public authority we should be looking to do everything practicable to support the local economy

BACKGROUND DOCUMENTS

Government guidance on grant schemes including regular FAQ's and letters to Chief Executives.

APPENDICES

Appendix 1 – Business Grants Data Dashboard

Jonathan Noad
Director of Planning and Property

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