

Report to	Performance Scrutiny Committee
Date of meeting	1st October 2020
Lead Member/Officer	Cllr Hugh Evans & Cllr Mark Young / Emlyn Jones Head of Planning, Public Protection and Countryside Services
Report author	Emlyn Jones Head of Planning, Public Protection and Countryside Services
Title	An examination of the Post Covid 19 recovery plan for the business support recovery priority

1. What is the report about?

1.1. This report relates to the Council's business support recovery plans.

2. What is the reason for making this report?

2.1. The reason for the report is to provide Members with an opportunity to examine the Council's recovery plan in relation to business support and to understand the progress made to date and the interaction with the North Wales Economic Ambition Board (NWEAB) Programme office on economic recovery.

3. What are the Recommendations?

3.1. Support officers in the work undertaken in relation to supporting businesses within the County and also their continued contribution to the regional economic recovery work in partnership with the NWEAB Programme Office and Welsh Government (WG).

3.2. Advise officers of any other areas of scrutiny in relation to this recovery priority.

4. Report details

4.1. Coronavirus is a public health crisis but the impact on the economy and businesses is also crucially important. Town centres were shut down, consumers were told to stay at home and Denbighshire saw the immediate impact as businesses closed down. We could also see our businesses and town centre struggle to recover in the medium and long term. It is possible some businesses may never recover.

4.2. The economy of Denbighshire is diverse. Retail, leisure and tourism remain the largest employers in the North, whilst tourism and agriculture are key sectors in

the South. St Asaph Business Park and a number of smaller industrial estates are also important employment hubs across the County. Denbighshire's landscape and environment is an important economic strength attracting both visitors and investment.

- 4.3. The Tourism industry accounts for £509m of Denbighshire's economy. With the lockdown that contribution has stopped. As of 2018, there were 3,625 VAT registered businesses within the County. Most of these businesses are micro or small in nature, with 88% employing less than 10 people. Those registered as small businesses (Under 250 employees.) total 98.5%.
- 4.4. There are only 10 business employing more than 250 people within the County in 2018, representing 0.275% of all businesses.
- 4.5. Economic recovery will be instigated at a national, regional and local level. This will involve central and local government as well as the private sector.
- 4.6. WG and NWEAB are developing a national and regional economic and business support recovery plan. DCC are inputting into that plan at the design stage as well as having a role in the implementation and governance of the plan. Weekly meetings of the NWEAB, WG and all 6 Local Authorities were established after lockdown to share good practice, secure coordination across the region and provide support and advice. These meetings have continued.
- 4.7. The NWEAB commissioned a survey of businesses across North Wales to better understand the impact of the pandemic on businesses and to better understand what support will be needed to recover. The survey was distributed widely across all our business networks and over 200 businesses completed the survey. Appendix 1 provides a report of the findings of the Denbighshire survey. A regional report has also been produced to inform the regional approach.
- 4.8. The findings of the survey as well as other information and intelligence will also be used to inform a further piece of work commissioned by the NWEAB to better understand the impact of the pandemic on specific sectors and also to start to develop a regional economic recovery plan including short and medium term interventions.

4.9 There are both direct and indirect actions that the Council are taking to encourage and support economic and business recovery.

- The Council has agreed on a number of recovery themes.
- Business support is one of those recovery themes, with an overall aim of supporting our business to recover following the Covid 19 pandemic.
- A recovery plan is produced for each theme. The plan is produced by the lead officer in consultation with key Denbighshire County Council (DCC) services, partners and Lead Member. The plan is then presented to the Council's Senior Leadership Team, Cabinet Briefing and political Group Leaders.

4.10 The Business Support recovery plan is attached as Appendix 2. The Business Support Recovery Theme has 4 subthemes, which are interlinked, namely

- Town Centre – Lead Officer Mike Jones
- Business Contact – Lead Officer Gareth Roberts
- Tourism – Lead Officer Peter Mcdermott
- Procurement – Lead Officer Helen Makin

Each sub theme has a lead officer who will produce a recovery plan for each sub theme.

The plans for each sub theme are at various stages of development, however there is a great deal of 'business as usual' support work that is ongoing.

5. Town Centres

5.1. The Town Centres action plan can be found as Appendix 3 to this report. This is well developed and has been presented to the Senior Leadership Team (SLT), Cabinet Briefing and Group Leaders. A Town Centre Task Group was formed and met for the first time in June 2020 and has met at least fortnightly since then. The Task Group is made up of officers from a number of services across the Council, plus representatives from business groups, the Police, Public Health Wales, Vision Support and the Tourism Destination Management Partnership. Council officers on the group include representatives from Traffic; Public Protection; Economic and Business Development; Passenger Transport; Communications; Tourism; Streetscene; Highway Assets; Denbighshire Leisure; and Contracts and Facilities.

5.2 The overarching objective of the Task Group is to help support and maintain the reopening of our town centres post-Covid.

6. Business Contact

- 6.1 This sub theme relates to how the Council supports businesses through our regulatory support and wider business support activities. Consultation has taken place with Lead Members on this action plan and it will be presented to SLT on the 15th of October.
- 6.2 Much of the early work undertaken as part of business support recovery related to ensuring that businesses could access financial support that they were eligible for. The Economic and Business Development (EBD) team worked with Business Rates to make contact (telephone calls and emails) with many of the businesses who had not applied for the NDR grant. Several hundred businesses were contacted to encourage them to apply for the grant to ensure that we maximised the financial support for businesses in Denbighshire. Millions have been paid out to our businesses. The EBD team have been providing guidance and advise to business and constantly updating the website with the various financial schemes available to businesses as well as providing links to guidance on opening safely.
- 6.3 The EBD team have processed Start Up Grants on behalf of WG. To-date 48 businesses, who started up business after April 2019, and have not been able to access other funding, have been awarded a grant of £2,500 each, totalling £120,000k. EBD is currently processing Childminder Grants on behalf of WG.

Discussions are taking place as to how best to spend the Covid19 town centre funding, with different options being considered.

7. Tourism

- 7.1 This action plan is being presented to SLT on the 24th of September and will then be presented to Cabinet Briefing. A significant amount of work has been undertaken by the Council in partnership with other partners and businesses through both the Destination Management Partnership and Town Centres working group. A summary of the work undertaken to date can be found as Appendix 4.

8. Procurement

- 8.1 This sub theme relates to how the Council could maximise opportunities for local businesses to access contracts with the Council and also review the Council's

procurement rules to support local businesses better. An action plan is being finalised for discussion with Lead Members and SLT.

8.2 Please find attached as Appendix 5 an update on the progress to date against the recovery plan. This details the range of activities that have already been undertaken by the Council.

9. How does the decision contribute to the Corporate Priorities?

9.1 The business support recovery theme will contribute to the corporate priorities of Connected Communities and Resilient Communities. It will also contribute towards the outcomes of the Council's Economic and Community Ambition Strategy.

10. What will it cost and how will it affect other services?

10.1 All costs are met within existing service budgets. Welsh Government grant funding has been accessed for some capital works within town centres.

11. What are the main conclusions of the Well-being Impact Assessment?

11.1 This is an update report for the Scrutiny Committee on the business support recovery work. A well-being impact assessment is not required.

12. What consultations have been carried out with Scrutiny and others?

12.1 Consultation has taken place with various DCC services, partner agencies for example North Wales Police, town business groups, SLT, Lead Members, Cabinet and Group Leaders.

13. Chief Finance Officer Statement

13.1 As stated in the report it is important that the activity is either kept within existing resources or funded from Welsh Government. The Council has administered over £40m of direct support to local businesses through direct grants and rate relief on behalf of Welsh Government. This excludes the targeted payments to help particular sectors such as social care providers. This level of help can only be funded from Welsh Government but does put a resource pressure on the Council to deliver. It is expected that the Council will

continue to help deliver such schemes following recent announcements about the extension of restrictions that will impact on businesses' ability to recover.

14. What risks are there and is there anything we can do to reduce them?

14.1 There are no significant risks around this report.

15. Power to make the decision

15.1 Scrutiny's powers in relation to matters detailed in this report are as per:

- Section 21 of the Local Government Act 2000;
- Section 7 of the Council's Constitution