

STEVENAGE BOROUGH COUNCIL

ENVIRONMENT & ECONOMY SELECT COMMITTEE MINUTES

Date: Tuesday, 10 November 2020

Time: 6.00pm

Place: Virtual (via Zoom)

Present: Councillors: Michael Downing (Chair) (Chair), Adam Mitchell CC (Vice-Chair) (Vice Chair), Doug Bainbridge, Sandra Barr, Stephen Booth, Adrian Brown, Maureen McKay, Loraine Rossati and Simon Speller

Executive Portfolio Holder for Economy, Enterprise & Transport, Cllr Lloyd Briscoe was in attendance at the meeting.

Start / End Start Time: 6.00pm

Time: End Time: 8.00pm

1 **APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors David Cullen and Jody Hanafin.

There were no declarations of interest.

2 **MINUTES - 22 SEPTEMBER 2020**

It was **RESOLVED** that the Minutes of the meeting of the Environment & Economy Select Committee meeting held on 22 September 2020 be approved as a correct record and signed by the Chair.

3 **SCOPING DOCUMENT - ECONOMIC IMPACT OF THE COVID-19 PANDEMIC ON STEVENAGE AND THE LOCAL ECONOMY AND THE COUNCIL'S RESPONSE**

The Committee agreed the draft scope of the review as presented to them with the following changes and additions:

The Chair indicated that he proposed an additional issue be added to the focus of the review, namely that the review should assess the impact of the work that the Council and its partners are doing in response to the pandemic to enhance the wellbeing of the local workforce, the business community and the people of Stevenage.

The Committee agreed to look at the question of what has been the economic impact of the pandemic on women.

The Committee agreed to include addressing the issue of matching the skills and aspirations of young people who have been disproportionately affected by the pandemic to the businesses that might thrive and grow post the pandemic.

Cllr Simon Speller offered to head up a sub group with Cllrs Adam Mitchell and Maureen McKay to look at the initiatives to address young people, specifically those who may not get picked up by the more traditional outreaches of schools and the County Council and to look at engaging with outreach teams from local employers to promote STEM subjects and opportunities in secondary schools in Stevenage.

Cllr Loraine Rossati agreed to look into the effect of the pandemic on women assisted by an appropriate officer and Cllr Sandra Barr agreed to look into the work that North Herts College are doing with non-vocational studies and students that do not have clear employment pathways, and it was suggested that a relevant representative of North Herts College be invited as a witness.

The Chair indicated that he wanted 2 witness interview sessions, the first on 13 January with a focus internally with Executive Members and Council officers and then the second on a further date (yet to be determined) with external witnesses from local businesses and citizens affected by the pandemic.

The 13 January session should be with the Leader of the Council, the Executive Portfolio Holder for Economy, Enterprise and Transport, Cllr Lloyd Briscoe, the Strategic Director Finance, Strategic Director Environment, Assistant Director Planning and Regulatory and the Business Relationship Manager. The Strategic Director, Tom Pike agreed to meet up with the Chair and the Scrutiny Officer to map out which officers are dealing with the specific responses to the Economic response to the pandemic and therefore who it would be best to speak to.

For external witnesses the Committee were recommended by the Vice-Chair to speak to a charity called Setpoint Hertfordshire who are based in Stevenage and they visit schools to promote STEM subjects, Helen Spencer was suggested as a contact to interview. Youth Connexions would also be invited for their work with hard to reach young people, Judith Sutton was suggested as a good contact. It was suggested that a representative of a trade union should be included in the list of witnesses.

Regarding equalities and diversity issues it was recognised that many of the characteristic groups have been affected economically and psychologically by the pandemic including the disabled, BAME, younger people, older people etc. and the review would need to address this.

Regarding constraints the issues of resources and staff time is one who may be diverted by urgent work to directly respond to the pandemic as well as time to complete the review, access to the appropriate and available data and access to third party partners such as sixth form and FE colleges to provide insight.

It was **RESOLVED**:

That the scoping document be agreed with the following additions and amendments:

- (1) That an additional issue be listed in the bullet points for the focus of the review to encapsulate the desire to see what impact the Council and its partners are making to enhance the wellbeing of the local workforce,

- businesses and its citizens throughout the pandemic;
- (2) That the review assess the economic impact of the pandemic on women, to which Cllr Loraine Rossati agreed to lead on with the assistance from officers;
 - (3) That the review assess specifically the impact on young people, with a focus on outreach work to schools on STEM subjects which would be led by a sub group headed up by Cllr Simon Speller and to include the Vice-Chair Cllr Adam Mitchell, Cllr Maureen McKay and with Cllr Sandra Barr who agreed to look into those young people who are left behind and would link up with North Herts College;
 - (4) That there would be two main witness interview sessions, the first on 13 January 2021 focusing on internal Member and officer interviews and a second session (date yet to be determined) to interview external witnesses from businesses and the local workforce;
 - (5) That the Strategic Director, Tom Pike, the Assistant Director, Steve Dupoy and the Scrutiny Officer agreed to meet with the Chair to map out the interview process, and further evidence required; and
 - (6) That the amended scoping document be represented to the Committee at its next meeting of the Committee.

4 **HERTFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP (LEP) HERTS RECOVERY PLAN**

The Committee received a presentation from Adam Wood, Head of Infrastructure & Regeneration Hertfordshire Local Enterprise Partnership (LEP) regarding the Hertfordshire Recovery Plan, rebuilding the Hertfordshire and Stevenage Economy.

The presentation covered a range of issues including the extent of the economic impact so far on the County and Stevenage; unemployment figures; furlough take up; remote working; what actions the LEP has taken; the economic recovery plans principles and framework and finally the economic recovery activities.

The potential job losses in Hertfordshire are between 80,000 to 100,000 but could change as the situation is constantly changing; the unemployment figures for the County and Stevenage which were historically low pre the pandemic but had seen a rise of over 200% in the County from 1.9% to 5.2% with Stevenage being slightly lower than UK average but slightly higher than the County average with 2.6 to 6.4% from March to May 2020.

Stevenage had 9,800 furloughed workers which was 18.9% of the workforce.

The number of workers who are able to work from home was directly affected by the type of employment sector they came from with 70% of professionals being able to work from home down to sectors such as hospitality, retail, construction and utilities, who needed to carry on their role in a physical place. By district Stevenage had a similar percentage of workers who could work from home as North and East Herts and Broxbourne at 38%, while areas like Watford, Welwyn Hatfield and St Albans were above the Hertfordshire average of 42%.

The LEP were focusing on four strands of response to the economic impact of the pandemic, the primary one being supporting the Hertfordshire Economic Recovery

Plan as well as continuing the Hertfordshire Growth Board, supporting local initiatives already in train such as Stevenage Town Investment Plan (TIP)/Town Deal and the creation of Catalyst South as joint lobbying group with nine other southern LEPs outside of London representing some 13 million people to lobby government and get the scale of the Midlands, North West and North East to lobby for the region.

The LEP had responded by organising the County wide Economic Recovery Group, Getting Building Fund for shovel ready projects which Stevenage has several, and ministerial roundtable discussions.

The LEP has also unlocked a £3.28M Business Support Package and has an overarching Recovery Plan Framework, which is an action plan not a strategy. The Framework covers:

- Growing our assets to add high value jobs
- Accelerating inward investment
- Focus on skills and flexibility of workforce
- Exploring digital opportunities
- Promote clean growth
- Level up and connect places

The LEP has a Recovery Plan Activities; these include 3 recovery packages and 2 transformational programmes:

- Recovery Package 1 – Enterprise & Innovation
- Recovery Package 2 – Skills & Creativity – with an emphasis on young people through the Herts Opportunities Portal and linking with HMG's Kickstart programme
- Recovery Package 3 – International Trade & Investment – prioritising potential high growth sectors such as life sciences/cell & gene, film & TV, smart & sustainable construction
- 2 Transformational Programmes – longer-term aspirations/interventions
- Transformational Programme 1: Equipping Hertfordshire's places for mid-21st Century living – Stevenage is a great example with its regeneration of the Town Centre
- Transformational Programme 2: Connecting Hertfordshire for mid-21st Century living and working through building digital infrastructure and redefining orbital connectivity

The LEP would be supporting the event co-sponsored by the Council and the Hertfordshire Opportunities Portal on 1st December – Generation Stevenage which is targeting 1,000 young people to meet on line with local employers, with a view to finding out what job opportunities these employers are currently offering.

For the first time in a generation the focus would have to shift from just looking at the quality of jobs created in an area to now focus on the number of jobs available. However, the fundamentals for a Herts wide and Stevenage recover and growth remain good because of the areas geographical position to London and the presence of existing high quality industries.

There will be a need for short term action to cover the potential 80,000 to 100,000 job losses in Hertfordshire but there was still a need for long term structural change for better growth to focus on jobs in emerging low carbon green industries to address the climate emergency as well as fairer growth to provide jobs that local people can access addressing the skills gap with a large portion of the local workforce.

Following Adam's presentation Members asked Adam a series of questions these included the following issues:

- What ratio of public and private money has been invested into the regeneration projects supported by the LEP? The ration is approximately 1 to 10 so every £1 of public money levers in £10 of private investment. If the LEP and Council are successful with the Town Investment Plan then the total public spend would be circa £100 Million pounds
- In addition to setting up Catalyst South as a larger regional body to lobby Government what is the LEP doing about attracting international inward investment, does it attend international trade fair events? The LEP through the Herts Growth Board also lobbies government on issues such as the holding direction on the SG1 Planning Application. Regarding inward investment the LEP has direct contact with the Department for International Trade and receive inquiries via the department and they also uses its existing business to cultivate new inward investment as generating inward investment "cold" is difficult but bringing in a "warmer" investor who knows the existing businesses and industries is more successful.
- Volunteer Business Support Scheme, who should interested businesses contact and how would they become a volunteer? Initially they should make contact with the Herts Growth Hub and they will direct them
- Members endorsed the LEPs focus on the structural changes that are required and strongly endorse the LEPs focus on young people who have been the most badly affected economically by the pandemic and wished to reiterate their support for bilateral partnership working across the County to tackle the economic challenges in the recovery from the pandemic
- The Executive Portfolio holder for Economy, Enterprise & Transport, Cllr Lloyd Briscoe commented that he supported the analysis of the LEP and quoted its CEO in sighting that Hertfordshire should be very well placed to bounce back quicker than other areas due to its fundamental economic factors such as skilled workforce and its geography. Also the repurposing of town centres to bring in residential living and associated business are the future for town centre developments as traditional retail focused high streets struggle, which Stevenage was a prime example of and was well ahead of other towns both new towns and older traditional towns in this regard.

It was **RESOLVED:**

That the presentation be noted and that a copy of the slides be circulated to the Committee following the meeting.

STEVENAGE AND THE COUNCIL'S RESPONSE

The Committee received a presentation from the Council's Business Relationship Manager, Mena Caldbeck, on the impact of the Covid-19 pandemic on economic development in Stevenage and on the Council's response.

The presentation covered a wide range of data this included:

- A snapshot of national economic data regarding the effect of the pandemic
- Government Support Measures including small business grant; discretionary grant; retail, hospitality & leisure business rate relief; job retention scheme; self-employment income support scheme; bounce back loan scheme; business interruption loan scheme; time to pay scheme; VAT deferral; deferral of self-assessment payment; Kickstart Scheme (work placement for 16-24 year olds); flexibility to pay back loans; support to stop evictions
- Analysis of a local business survey that was undertaken in August 2020 with 145 businesses completing the survey, including micro, SME's & large businesses from all sectors
- The Survey provided information on the following areas: what were businesses current concerns; numbers furloughed; self-employed; agency workers; businesses returning to full staff numbers; how local businesses were accessing government support measures; what adaptations businesses had made to their business during the pandemic
- Part of the survey had been to ask businesses what they thought should be the key priorities for the Council with regard to supporting the business community, these included:
 - **Improving and maintaining the wider infrastructure** such as safeguarding employment land better broadband
 - **skills support** including apprenticeships and upskilling and retraining for those made redundant
 - funding for schools with IT to support home working
 - procurement access to the Council's tendering process
 - **wellbeing** – supporting residents to get fit
 - **Business Support** including
 - sector development to support growth
 - networking opportunities
 - funding to improve premises, purchase equipment, support cash flow
 - **Regeneration of the town centre**
 - Proactively targeting quality retailers to attract customers in to the town
 - **Old Town** – promotion and support of businesses
- **Challenges that face the Council in responding:**
 - To a large part the Council is able to influence, lobby government and work with partners
 - **Areas supported** – skills/jobs a priority of Stevenage Economic Taskforce
 - Procurement
 - Business support
 - Regeneration of the town centre
 - the Old Town

Members raised the following questions and comments:

- What particular skills, upskilling and retraining can the Borough Council do to help the local workforce? The Council has organised the Stevenage Generation event to target opportunities for young people to meet prospective employers, 5 large sized employers based locally, as well as funding sourced locally to help upskill their workforce which is promoted by the Council, the LEP and the Economic Taskforce
- What can the Council and its partners like the Council for Voluntary Service & the Citizens Advice Bureau do to help deliver practical solutions to change people's lives if that person has been made redundant or can't find employment? The Council does engage with a large range of partners who can provide direct support for those who need it. The Business Relationship Manager works with the Herts Growth Hub supporting businesses with advice and the LEP supporting people with skills and with Herts Opportunities Portal which helps people identify businesses and sectors who are recruiting. Also Stevenage Economic Task Force are looking to engage and work with a number of different agencies to help offer support to local people. Also the Council is working with the Department for International Trade to provide leads to Stevenage based companies to provide inward investment.
- How many of the Government support measures that were referred to in the presentation are administered by the Council? The Council administers the small business grant; the hospitality and leisure grant; and supported businesses with the discretionary grant funding; the retail, hospitality, leisure and business rates relief; the shared Revenues and Benefits team are administering the Local Restriction Grant to support those businesses who have to close as a result of the second lockdown and are preparing the application form; the additional restrictive grant for businesses who have been severely impacted by the pandemic and the lockdown; the shared revenues and benefits service has administered hardship schemes and rates schemes and had provided funding up to £30 million pounds in government grants since the start of the pandemic. The Strategic Director Finance offered to circulate to the Committee the latest Member dashboard that details all of the schemes that the Council is involved in administering.
- What mechanisms are there for smaller businesses to take on traineeships for young people and apprenticeships? Under the government's Kick Start Scheme employers can support young people through 6 month work placements but need to take on 30 new employees. Businesses offering traineeships can receive between £1.5K to £2K payments? Many small or medium sized businesses could not afford to support the Kick Start Scheme and therefore would go through the Intermediary scheme. Currently Wenta and Herts Chambers of Commerce and the Herts Growth Hub can support businesses access the scheme. Information has been placed on the website.
- It was **RESOLVED:**
 - (1) That the presentation be noted; and
 - (2) That the Strategic Director Finance would circulate to the Committee the latest Member dashboard that details all of the schemes that the Council is

involved in administering to help businesses and individuals during the pandemic.

6 BACKGROUND DOCUMENTS TO ASSIST THE REVIEW

The background documents to support the review were noted.

7 URGENT PART 1 BUSINESS

The Chair accepted a Part 1 urgent business to update the Committee on the Committee's work programme.

Regarding the Neighbourhood Centres Review the Scrutiny Officer agreed to contact Committee Members to invite them to send any updates they have for the review resulting from their particular ward Neighbourhood engagement meetings.

8 EXCLUSION OF PUBLIC AND PRESS

Not required.

9 URGENT PART II BUSINESS

Not required.

CHAIR