

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: SMT 23 September 2009
AUTHOR/S: Corporate Manager

ACTIONS TO SUPPORT THE DISTRICT DURING THE RECESSION - QUARTERLY UPDATE

Purpose

1. This report seeks to inform Scrutiny Committee 01 October 2009 (and Cabinet in 08 October 2009) with an update on the delivery of actions proposed to mitigate the impact of the recession on businesses in South Cambridgeshire.

This is not a key decision.

Progress Report for Period 1 July – 30 September 2009

2. The table below details the progress made against actions identified in the Cabinet Report of 16 April 2009 and following the up-date report to 30 June 2009 to Cabinet in early July 2009. Key activities since this time are:
 - The volume of invoices paid within 10 days improved to 63.11% in July, with a decrease in the summer period (August) of 39.75%.
 - The Business Support Fund with a total value of £50,000 aimed at supporting companies most at risk from the slowing economy has been launched from September 2009. With vouchers per qualifying company of £1,000, it is delivered in partnership with Business Link across the district. Monthly reports to the Council will inform of both uptake and the type of specialist support accessed, followed by following up intelligence with businesses in term of effectiveness.
 - As reported verbally at the previous Cabinet meeting, the business seminar 'Ride the Recession' arranged for 1 July took place. Run in association with Business Link, the event offered the opportunity to hear from Terry Holloway of Marshall Group, Matthew Peek of Barclays Corporate, Anne Miller of The Creativity Group and consultants Bev and Jasper Gilder, all offering advice on how to survive and thrive in all economic climates. The event also provided networking and advice from business support agencies. Feedback was very positive. For example, Delegate Julia Brooks from contacts4business said, "I enjoyed the event for its presentations, as well as the exhibitions and networking. I found the experience motivating and informative with practical application for my business."

- The measure to do with the Hardship Rate Relief Scheme have resulted in three requests for assistance. Two applications have been returned so far, of which one currently meets the criteria and is expected to be awarded at a cost of £1,750, to the Council (£7,000 total rate relief requested) A further query for a third application is expected by the Revenues department. If granted the cost to the Council is anticipated to be £1,250 (£5,000). Further applications are anticipated.

Summary of Council Actions and Progress to date:

Actions and evaluation	Timescale	Cost	Progress to date and evaluation
<p>1. Hardship Rate Relief:</p> <ul style="list-style-type: none"> • Publicising the existing scheme • Review the existing policy to facilitate the award of rate relief to assist businesses at imminent risk of failure and to ensure a fair allocation process an agreed budget <p>Future action suggested:</p> <ul style="list-style-type: none"> • Further publicity may be helpful to highlight the scheme. • Upon offering relief, the businesses to benefit will be made a conditional offer that they develop actions to recover, including developing a plan with Business Link. • The amount of this measure will be reviewed at the end of October 2009. 	<p>Available over 2009/10</p> <p>September 2009</p> <p>September 2009</p> <p>October 2009</p>	<p>£25,000</p>	<p>Scheme available.</p> <p>1 request received for hardship support at a cost of £1,750 to SCDC. A further application with a cost of £1,250 to SCDC is anticipated.</p>
<p>2. Freeze fees for taxi licensing, trade refuse collection and other environmental health services as recommended by the Portfolio Holder 27 January 2009</p>	<p>Available over 2009/10</p>	<p>£15,500</p>	<p>In place – Completed.</p>
<p>3. Lobby Minister for Local Government regarding NNDR and Minister for Energy regarding fuel poverty issues.</p>	<p>February 2009</p>	<p>-</p>	<p>Minister's response received.</p>
<p>4. Economic Development Programme</p> <ul style="list-style-type: none"> • 'How to Win Contracts' "event with other public authorities at the Belfry Hotel, Cambourne 	<p>4 June 2009</p>	<p>£3,000</p>	<p>Completed.</p> <p>Attended by 100 businesses (target 70-80). Positive feedback received on practical value of the event.</p>

<ul style="list-style-type: none"> • Business Seminar on surviving the economic downturn at Duxford IWM • Business Support Growth Fund with vouchers of £1,000 each launched and delivered with Business Link. This offers direct specialist business support for businesses affected by the recession. <p>Future action:</p> <ul style="list-style-type: none"> • Monthly reports to the Council will inform of both uptake and the type of specialist support accessed, with a view to inform the Council of support needed by the District's businesses for possible future Council measures. 	<p>1 July 2009</p> <p>September 2009 – March 2010</p>	<p>£5,000</p> <p>£50,000</p>	<p>Completed.</p> <p>Positive feedback received on practical value of the event.</p> <p>Launched. Applications anticipated. Monthly reports to the Council will inform of both uptake and the type of specialist support accessed.</p>
<p>5. Develop financial options to help development continue at Orchard Park</p> <ul style="list-style-type: none"> • Plot C3 transferred to affordable housing from market sales. BPHA funded by HCA, with support by SCDC. • Persimmon Homes commenced work on Plot B1, as result of transfer to C3 to BPHA. Martin Grant have commenced work on Plot D. • Application for HCA Kickstart funding submitted • Further work planned with partners on the private rented sector and self build/eco housing options. • Construction started on 3 new sites since April. <p>Future action:</p> <ul style="list-style-type: none"> • Study commissioned for innovative delivery models with meeting set up about a private rented initiative. 	<p>April 2009</p> <p>May 2009</p> <p>June 2009</p> <p>October 2009</p> <p>November 2009-09</p>	<p>HCA funding provided</p>	<p>All three house-builders are back on site, and higher level of reservations than last year.</p> <p>Project bids were unsuccessful. Will look to resubmit in winter 2009.</p>

6. Provide rent-free space for CAB at SCDC	March 2009	Within existing budgets	Offered – but unlikely to take up offer without financial grant to cover additional costs for CAB
7. SCDC staff: Financial well being event to signpost staff to appropriate organisations who can offer counselling and practical advice for themselves and family members Offer short-term projects to existing staff rather than agency staff Revise the staff relocation terms so that the sums available can be used flexibly, without increasing the total claimed. Human Resources organised publicity on PPC (Positive People Company) to aid staff in the recession. Support is offered through counselling on various matters.	April 2009 February 2009 December 2009 August 2009	£2,000 Potential saving Potential saving if new staff can be retained whilst unable to sell former home	In place, completed In place, ongoing Work has commenced Action completed
8. Aim to pay suppliers within 20 days Future action: <ul style="list-style-type: none"> It is recommended that we reinforce the message again about processing invoices promptly including the importance of the dispute process. That the electronic system of invoicing be implemented as soon as possible, thus benefitting businesses in turn. 	February 2009 - ongoing	Up to 10 days interest on sums paid	Chief Executives has sent a message to all staff at launch of action requesting 80% of payments in 10 days. Follow up communication suggested to increase payment rate to more than 39.75% (August 2009) and 60.3%
9. Small businesses that are identified as likely to benefit from rate relief will be targeted and encouraged to apply for this benefit	September 2009	Within approved budgets	Letter sent to businesses and communications in the current Economic News Bulletin.

<p>10. Improve ways of helping firms relocate to South Cambridgeshire, including property search and identification systems</p>	<p>September – December 2009</p>	<p>£10,000</p>	<p>Meetings held with Invest East of England regarding inward investment. Meetings and discussions also held with the tourism office, neighbouring councils, businesses and commercial agents to develop a tool/mechanism for improved investment. A commercial property database is being developed with colleagues to show available commercial space and market the District</p>
<p>11. Planning Policy SPD/DPD to be produced to strengthen support for economic development</p>	<p>March 2010? TBC</p>		<p>To be included within the review of core strategy.</p>
<p style="text-align: center;">Proposed Actions</p>			
<p>12. Support to local volunteer centres experiencing increased demand for placements as a result of the recession.</p> <p>Evaluation</p> <ul style="list-style-type: none"> • Local Volunteer Services are seeing increases in the number of people referred to them through the Department of Work and Pensions scheme (generally clients who need more support), which only pays out if a client is successfully placed and therefore much work can occur for no additional funding (just over £100 per placed client). • The Volunteer Centres have not received Weather the Storm funding. • Specific measures for South Cambridgeshire to be developed with approval of this new measure. 	<p>October 2009</p>	<p>Up to £5,000</p>	<p>This is proposed to be part of the contingency funding money. Volunteering is a means for people to gain skills and return to jobs following redundancy etc.</p>

<p>13. Further measures to support businesses and the District in the economic downturn.</p> <p>Evaluation and future proposed actions;</p> <ul style="list-style-type: none"> Measures are being explored with partners such as the Chamber of Commerce (e.g. stimulate innovation) and Job Centre Plus as well as internally (e.g. invoice system additional costs) to develop actions to assist the District further in responding to the downturn. 	TBC	TBC	This is proposed to be part of the contingency funding money.

Implications

3.	Financial	<p>Council made available total of £150,000 to aid businesses in South Cambs affected by the recession.</p> <p>At September, £110,500 has been spent or committed. This figure includes commitments arising from NNDR hardship relief applications.</p> <p>A contingency fund of £39,500 is available to be allocated to further initiatives as detailed above.</p>
	Legal	No implications
	Staffing	No Implications
	Risk Management	No Implications
	Equal Opportunities	No Implications

Consultations

4. In preparing this report the Finance, Revenues and Benefits and Human Resources services have contributed.

Effect on Strategic Aims

5.	<p>Commitment to being a listening council, providing first class services accessible to all.</p> <p>Many of the measures outlined in this report are based on feedback from partner agencies, businesses and local residents, and are intended to support our aim of providing excellent services. A pro-active approach is being taken to the promotion of these measures.</p>
	<p>Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all.</p>

There are well-documented links between economic prosperity, health, wellbeing and community safety. The measures in this report are intended to maintain the local economy.

Commitment to making South Cambridgeshire a place in which residents can feel proud to live.

It is hoped that local residents will welcome actions that the council is taking to support businesses through the recession.

Commitment to assisting provision for local jobs for all.

The Council's commitment to support businesses through the recession is a key element of the authority's pledge to assist in providing jobs and prosperity across the district for all residents.

Commitment to providing a voice for rural life.

Small businesses form a key part of the life of a strong rural community.

Conclusions/Summary

6. This report provides Cabinet with a brief update on the current position with regard to activities being undertaken to support local businesses during the recession. A further report will be presented to Cabinet in October.

Recommendations

7. It is recommended that Scrutiny Committee note the report intended for Cabinet on 08 October 2009 and the measures intended to assist the District economically.

Background Papers: the following background papers were used in the preparation of this report:

Cabinet Reports: 15 January, 12 February, 16 April and 2 July 2009

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