

## Kevin Cantlon Fund Repurposing – Economic Recovery

### Summary

This paper is to request the approval to repurpose the Kevin Cantlon Shop Front Improvement Fund to support the Economic Recovery post Covid-19.

**Portfolio:** Business & Transformation

**Date Portfolio Holder consulted:** 9 October 2020

Wards Affected: All

### Recommendation

The Executive is asked RESOLVE that the proposed action plan to repurpose the Kevin Cantlon Shop Front Improvement Fund to support the Economic Recovery be agreed.

## 1. Key Issues

- 1.1 In 2017, The Council set up the Kevin Cantlon Shop Fronts improvements Schemes, allowing for businesses within the Borough with a “shop front” to apply for up to £5,000 to contribute 50% for updating their shop fronts.
- 1.2 Since the Launch of the scheme there have been 8 applications to the scheme, despite promotion across the Borough. In the 3 years of the scheme, 8 applications have been made, 7 successful totalling a grant pay out of £12,244. There is £87,756 remaining in the budget.
- 1.3 In June 2020, a paper was presented to the Executive to request to repurpose the fund to support the needs of the community post Covid-19 outbreak. Covid-19, a worldwide pandemic has made a huge negative impact on the economy across all sectors and size of business, and it is felt that this money would have greater impact if reallocated to support the Boroughs economic recovery.
- 1.4 The UK Governments Furlough Scheme is coming to an end, and it is reported that the insolvency service has been notified of over 300,000 redundancies up to July 2020.
- 1.5 On the 24<sup>th</sup> September, the Chancellor announced a further package of support to encourage employers to continue supporting the viable jobs in their businesses through the Winter Economy Plan in the Job Support Scheme which will be introduced from the 1<sup>st</sup> November and run for 6 months to enable businesses to keep workers on who are undertaking fewer hours to contribute towards their wages for the hours they are not working.

- 1.6 48% of claimants to the employment element of Universal Credit in Surrey Heath are those who are self-employed, this indicates that work is not yet picking up for these claimants, and opportunities to look at alternative options for their business, time to learn new skills and review their business plan would be welcomed alongside the support they are getting from DWP.
- 1.7 Surrey as a County has been reported to be the 4<sup>th</sup> highest increase in universal credit starts during the pandemic across the Country, and resources need to be made available to support these people get into work, and it is the aim of this action plan to support the support currently available and broaden that to appeal to all different type of people, in their various situations.
- 1.8 With this back drop it proposed that the remaining £87,756 of the KC Shop Front Scheme be repurposed to deliver a number of different initiatives to support both individuals and businesses across the Borough. The aim of the support is to appeal to different types of end users, understanding that people approach challenges in various ways, and we should not offer a one size fits all.
- 1.9 The aim is to create successful businesses within the Borough, which turn into employers of the future. Our current start up Business Survival rate is 48.4% in the first 5 years of operation, 2<sup>nd</sup> highest in Surrey, and above the regional average of 44.4%. It is our ambition to in the least keep it at this level, if not exceed this, and this will be monitored.
- 1.10 The initiatives are detailed below
- i) **Pop-up Business School Cost** – full £17,995 + VAT this would be shared with Guildford Borough Council and therefore Cost to SHBC is £8,997.50. There is no cap on the number of Surrey Heath residents who can take advantage of the 2 week programme, and they would like to aim for circa 100 people across the 2 Boroughs however this would not be capped and can support more. SHBC will work directly with the pop-up business school to market this. See Annex A for more details.

This would be aimed at pre-pre start-ups, and the course covers:

- Start without spending money
- Promoting your business
- How to make sales
- Build a great website for free
- How to use social media to sell
- Registering a business & paying tax Insurance
- Wellbeing: Motivation, confidence & mindset
- SEO & getting on Google
- How to keep customers
- Networking
- Negotiation
- Being productive & get things don

- There is the option of a one-week course which would cost £14,255 +VAT (£7,112.50)

- ii) Enterprise Business South** - This project will deliver 1-2-1 Business Health Check and Support Package to each enquirer (either an individual or small business) and this will include:
- An initial 1-2-1 diagnostic/business health check resulting in an agreed action plan
  - free business start-up toolkit
  - ongoing support by phone
  - e-mail and Zoom for a full year.

Enterprise South undertakes to record the following information against which its use of the funding provided by the Council will be measured:

- Number of businesses or prospective businesses in the Borough provided with advice
- Type of business supported
- Type of support activity
- Client postcode data
- Gender, Age, and Ethnicity where collected

This offer is open to start ups, and existing businesses and to people facing redundancy. Businesses and individuals can continue the support after that point; however this would be at their own expense.

The cost is calculated at £95 per client and only invoiced once the supporting evidence has been provided per 1/4. This would mean at a £5,000 budget would allow us to support 53 local business owners for a full year. Beyond that, they will be given the option to continue at their own expense but not be under any obligation to do so. See Annex B for further details

**iii) Surrey Chambers Start-up Academy**

Surrey Heath has been working with the Surrey Chambers for 4 years, providing start up clinics for individuals across the Borough and beyond.

The new Start-up Academy will provide support to and the first cohort will be supported though the current budget allocated to the Start-up clinics (£6,750 remaining in this financial year), if successful, it is envisaged that this support would be provided for a further 2 years (£7,500 per year). It is hoped that this will support upwards of 20 candidates per cohort.

The 8 monthly seminars will cover:

- Business Planning/Strategy and setting objectives
- How to make a business successful
- Branding and Website Design/Development
- Sales & Negotiation
- IT & Cyber Crime
- HR & Compliance
- Budgets & Raising Money

If this project is not successful, we would revert back to the Start-up clinics.

**iv) Youth Hub** – This project will be delivered in partnership with The Department of Work and Pensions (DWP) and part funded by a grant from Government. The Youth Hub will be a drop-in service for 16-24 year olds in the Borough to get career and job seeking support outside of a job centre in a more appealing and accessible environment and location for them. They will all be on universal credit, and therefore this is a positive support mechanism for supporting them getting into work and will work hand in hand with the Kickstarter project, detailed below. Economic Development is working with DWP to develop this project so that it can launch as soon as possible.

**v) Other Schemes supported**

- **Kickstarter** – This is a DWP scheme which SHBC will be supporting The Surrey Chambers in delivering as a representative. This scheme supports 16-24 year olds get a paid 6 month job placement with a local employer to provide important and quality work experience.
- **Camberley Jobs Club** – We will continue to work with the Camberley jobs club to support their members getting into work

1.11 £20,000 per year will be allocated to the KC Shop Fronts Scheme, providing support for independents across the Borough improve their frontages. This will allow for a minimum of 5 businesses per year receiving support, which is in line with the numbers supported per year since the projects launch.

## 2. Resource Implications

### 2.1 Budget

Total budget of £87,756

Project	2020/21	2021/22	Total Cost	People supported
Pop up Business School	£8,997.50		<b>£8,997.50</b>	100 (estimated)
Enterprise Business South	£5,000	£5,000	<b>£10,000</b>	106
Youth Hub	£7,000		<b>£7,000</b>	TBC*
Surrey Chambers	£7,500	£7,500	<b>£15,000</b>	60
Shop Front Scheme	£20,000	£20,000	<b>£40,000</b>	Min 8
<b>Total</b>	<b>£48,497.5</b>	<b>£32,500</b>	<b>£80,997.50</b>	<b>266</b>
<b>Other (TBC)</b>	<b>£3,379.25</b>	<b>£3,379.25</b>	<b>£6,758.5</b>	

- 2.2 What Success Looks like – The action plans success will be measured on the following factors:
- a. Number of people and businesses supported  
Improved Business Survival Rate
  - b. Number of businesses Started during the programme
  - c. Number of Young people into employment, further education or apprenticeships
  - d. Reduction in Universal Credit Starts
- 2.3 The Economic Development team's role within the recovery will be to ensure support is provided, where and when it is needed. It will also ensure the quality of the training is evaluated before committing
- 2.4 The fixed term posts created through the Youth Hub Scheme will be managed under the Economic Development Team.
- 2.5 There would be a need for Communication and Marketing support across this programme of work.
- 2.6 There would be a requirement for HR support in the employment to the Roles for the Youth Hub.

### **3. Proposal**

- 3.1 It is proposed that the initiatives detailed above are put in place to support economic recovery in Surrey Heath Borough this will be funded through the re-purposed KC Shop Front fund.

### **4. Options**

- 4.1 Approve the proposed recovery initiatives
- 4.2 Part approve the proposed recovery initiatives
- 4.3 Approve the proposed recovery initiatives with additional elements

### **5. Corporate Objectives And Key Priorities**

- 5.1 Prosperity – to sustain and promote our local economy so people can work and do business across Surrey Heath, promoting an open for business approach that attracts investment and complements our place. Allowing for this fund to be re-purposed will ensure that Economic Development are helping businesses recover, and growth to support the communities of Surrey Heath.
- 5.2 Performance – to deliver effective and efficient services and allow for support to be targeted to businesses and individuals when they need it

## **6. PR And Marketing**

6.1 Support from the Council's Marketing & Communications team will be required.

## **7. Equalities Impact**

7.1 Equalities impact assessments will be undertaken as each scheme is set up.

**Background Papers:** Annex A - Pop up business school Literature  
Annex B - Example Voucher scheme – Enterprise  
Business South (Waverley)

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