**Purpose of report**
To provide an update on progress over the last 3 months and an overview of the Phase 2 proposals for approval in order to continue to address the impact of the economic shock resulting from the COVID19 pandemic.

**Attachments:**
Appendix 1 – Economic Recovery Prospectus – “Recovery Through Enterprise” Phase 2

**1.0 The Story so far**

1.1 £29 million of Government funding was provided to businesses through ENC (and the hard work of its dedicated staff) to help ease the immediate impact of the lockdown. Although this funding was essential, the focus quickly moved towards supporting individuals and businesses to adapt to new market conditions through an approach underpinned by enterprise, innovation and entrepreneurship; only by embedding these fundamental business values will we be able to drive a recovery process that is truly sustainable.

1.2 A new collaboration including local and strategic partners has already helped local people and businesses by:

- Putting in place a new local one stop hub for business support based at the University of Northampton which has been up and running since 1 June and provides 1:1 business advice and triage
- Refocusing the current business support programme provided by Building Business to meet the emerging needs of business
- Incentivising the membership of local business support organisations including the Federation for Small Business and the local chamber of commerce so as to encourage business networking
- Recruiting a dedicated Enterprise Officer to support, drive and extend the reach of the service to the Borough of Wellingbough
- Securing support from ENC and the Shadow North Northamptonshire including investing £250,000 to support and drive delivery
- Setting up a Recovery Hub at the new Enterprise Centre to be at the heart of the recovery process
- Convening a number of conversations across ENC services to help start the development of a new refocused Business Charter to ensure council services remain relevant and supportive through the recovery process
- Working with Town Councils to open up the high streets safely
- Commencing work with the Northamptonshire COVID 19 Economic Cell, SEMLEP and the Oxford Cambridge Arc to develop a strategic approach to economic recovery and shaping a future strategy and action plan which will be driven through and by the new North Northamptonshire Council

1.3 But we still face significant challenges…
- Business confidence remains low
- Significant disruption to retail highlights a weakness of existing small retailers to
pivot and diversify service offerings to engage with the shift to virtual footfall

- New needs are emerging as new waves of Covid approach – businesses have shored up in Phase 1 and need to break new ground and win new clients in a virtual world
- Employment Impact is scattered, with the pace of small but cumulatively significant redundancies and future shocks feared as the Government furlough scheme is wound down – need to intervene and promote pathways to reskill, retrain and redeploy the workforce
- Key sectors have been impacted differently – substantial opportunities lie in the Health and Medical Tech, Life Science and Care Sectors, which are thriving but short of skilled workforce.
- Feared impact has been offset by local innovation

2.0 Economic Recovery Prospectus (ERP) Phase 2 – Detailed Proposal

2.1 The next phase of the ERP from September 2020 to March 2021 is to accelerate the phase 1 programme, with a particular focus on extending the focus to cover employment matters and exploring further opportunities to extend the reach of the project to support as many local businesses and residents as possible.

2.2 It is important to reiterate a critical element of the programme, to reflect the urgent and dynamic position of the situation, is the emergent and iterative nature of the strategy, which recognises that the actions will need to adapt to the changing circumstances and associated needs; it will not follow a pre determined set of actions as per traditional strategies.

The focus over the next 6 months

2.3 Continue to promote, develop and deliver the business support offer in partnership with the University of Northampton, SEMLEP, local business networks, Building Business and other local and strategic partners including other local authorities

2.4 Work with the Job Centre Plus and other partners to develop a new employment service initiative to support those local people facing unemployment

2.5 Continue to utilise the Enterprise Centre East Northants facility to drive and deliver the support programmes at the heart of the business community

2.6 Extend the outreach work by putting in place a shop front to increase the coverage and reach of the support programme

2.7 Produce and publish a refocused Business Charter to ensure local services are firmly aligned to support local people and businesses

2.8 Contribute to strategic economic development work with a particular focus on the SEMLEP Recovery Plan and the Oxford Cambridge Arc Economic Prospectus

2.9 Seek to extend the coverage of Recovery Through Enterprise initiative across North Northants with agreement from the Borough Council of Wellingborough already in place

2.10 Work with our local authority and strategic partners to start the process of producing an economic development strategy and action plan for the new North Northants Council.
3.0 Equality and Diversity Implications

3.1 There are only positive impacts of the Economic Recovery Prospectus which were consider as part of the July report to this Sub Committee; there are no further implications as part of the Phase 2 element.

4.0 Legal Implications

4.1 All the necessary governance and contracting arrangements will be put in place as and when required using a range of legal documentation. The initial programme includes a memorandum of understanding between ENC and the University of Northampton to provide the immediate emergency business support programme.

5.0 Risk Management

5.1 The key risks and mitigations are detailed in the table below:

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of support from local and strategic partners involved with business and employment support</td>
<td>All partners currently signed up to the proposal; this will need to be kept under review and managed as part of the development of the medium term phase from September 2020.</td>
</tr>
<tr>
<td>Lack of take up by local people and local businesses</td>
<td>Significant and concerted promotions campaign is underway and will form the main thrust of the initial activity. This includes a mailshot to every business and a range of press releases and social media campaigns.</td>
</tr>
<tr>
<td>Lack of support from other North Northants councils making it difficult to continue as part of the new unitary arrangements</td>
<td>This will be managed through the Future Northants work streams and associated governance arrangements</td>
</tr>
</tbody>
</table>

6.0 Implications for our Customers

6.1 The delivery of the Economic Recovery Prospectus will provide only positive benefits for customers by providing access to employment, business advice and associated training and support; there are no further implications as part of the Phase 2 element.

7.0 Constitutional Implications

7.1 This report does not require any amendment to the Council’s Constitution.

8.0 Health Impact Implications

8.1 There are only positive impacts of the Economic Recovery Prospectus which were consider as part of the July report to this Sub Committee; there are no further implications as part of the Phase 2 element.

9.0 Privacy Implications

9.1 There are only positive impacts of the Economic Recovery Prospectus which were consider as part of the July report to this Sub Committee; there are no further implications as part of the Phase 2 element.
10.0 Resource and Financial Implications

10.1 The table below summarises the budget for each of the work streams over the next 10 months which has been agreed by full Council and endorsed by the North Northamptonshire Shadow Council:

<table>
<thead>
<tr>
<th>Work Stream</th>
<th>Budget £</th>
<th>Actual Spend to Sept 2020 £</th>
<th>Projected Spend to March 2021 £</th>
<th>Variation £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Work Stream 1</strong> - Dynamic Business Support</td>
<td>185k</td>
<td>29,000</td>
<td>100,000</td>
<td>-46,000</td>
</tr>
<tr>
<td><strong>Work Stream 2</strong> - Fast Track Job Match</td>
<td>30k</td>
<td>9,000</td>
<td>73,000</td>
<td>+52,000</td>
</tr>
<tr>
<td><strong>Work Stream 3</strong> - Business Recovery Hub</td>
<td>20k</td>
<td>9,000</td>
<td>15,000</td>
<td>+4,000</td>
</tr>
<tr>
<td><strong>Work Stream 4</strong> - Business Charter Refresh</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Work Stream 5</strong> - Long Term ER Strategy</td>
<td>15k</td>
<td>0</td>
<td>15,000</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£250k</strong></td>
<td><strong>47,000</strong></td>
<td><strong>203,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

10.2 It is important to note that these are indicative budgets and have been developed with the view of being flexible in terms of enabling movement between the work streams to make sure the programme reflects emerging needs and priorities for action. To this end the above table highlight the current shift towards the Fast track job match scheme away from business support.

10.3 Breakdown of spend to date (1 July to 30 Sept) comprises:

<table>
<thead>
<tr>
<th>Item</th>
<th>Spend £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setting up and running the Recovery Hub at the ECEN</td>
<td>9,000</td>
</tr>
<tr>
<td>Direct Business Support via Building Business</td>
<td>7,500</td>
</tr>
<tr>
<td>Support the reopening of the high streets</td>
<td>19,500</td>
</tr>
<tr>
<td>Appointment of Enterprise Officer</td>
<td>9,000</td>
</tr>
<tr>
<td>Promotional material</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>47,000</strong></td>
</tr>
</tbody>
</table>

10.4 Proposed spend over the next 6 months to 31 March 2021 comprises:

<table>
<thead>
<tr>
<th>Item</th>
<th>Projected spend £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Running the Recovery Hub at the ECEN</td>
<td>15,000</td>
</tr>
<tr>
<td>Setting up Shop front at Rushden Lakes</td>
<td>36,000</td>
</tr>
<tr>
<td>Direct Business Support via Building Business</td>
<td>15,000</td>
</tr>
<tr>
<td>Other business support</td>
<td>15,000</td>
</tr>
<tr>
<td>Job Match support initiatives</td>
<td>55,000</td>
</tr>
<tr>
<td>Support the reopening of the high streets</td>
<td>21,500</td>
</tr>
<tr>
<td>Appointment of Enterprise Officer</td>
<td>18,000</td>
</tr>
<tr>
<td>Strategic policy development</td>
<td>15,000</td>
</tr>
<tr>
<td>Promotional material and campaigns</td>
<td>12,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>203,000</strong></td>
</tr>
</tbody>
</table>
10.5 The original proposal and budget submitted to the July meeting of this Sub Committee was reviewed and endorsed by the Shadow North Northants Executive. The above tables provide an approximate position subject to final reconciliation of spend against each particular activity.

11.0 Corporate Outcomes

11.1 This report contributes to the following corporate outcomes:

- **Good Quality of Life – Prosperous** – Nurturing and supporting local residents into employment and to start and grow their own businesses that will help promote sustainable employment and prosperity;
- **Good value for money** – Leveraging in significant funding to support employment and business growth;
- **Effective Partnership working** – The initiative has already galvanised key local and strategic partners and will help to do the same as part of the unitary process.

12.0 Recommendations

12.1 The Sub Committee is requested to recommended that Policy and Resources Committee make a recommendation to Full Council to:

a. Note progress to date as detailed in the Report *(Reason: To ensure effective member oversight of the initiative)*

b. Approve the Economic Recovery Prospectus Phase 2 and associated work streams (Appendix 1) *(Reason: To put in place measures to support and accelerate economic recovery across the district to address the economic crisis resulting from the pandemic)*

<table>
<thead>
<tr>
<th>Legal</th>
<th>Power: Local Government Act 1972</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other considerations:</td>
<td></td>
</tr>
</tbody>
</table>

**Background Papers:** ENC Economic Recovery Prospectus – Recovery Through Enterprise

**Person Originating Report:** Greg Macdonald Head of Economic and Commercial Development  01832 742014  gmacdonald@east-northamptonshire.gov.uk

**Date:** 1 October 2020

**CFO** 7/10/20  **MO** (Deputy) 7/10/20  **CX** 7/10/20  **D. Oliver**
But we still face significant challenges...

- Business confidence remains low.
- Significant disruption to retail highlights a weakness of existing small retailers to pivot and diversify service offerings to engage with virtual footfall.
- New needs emerging - Second Wave challenging Businesses which shored up in Phase 1 and need to break new ground. Impact varies greatly by sector.
- Digital platforms require new thinking and innovation to break new ground, win new clients and deploy new services. Pace of engagement varies according to sector, and opportunities exist for startups as well as existing business to exploit new trends.
- Employment impact is scattered, with pace of small but cumulatively significant redundancies, and future shocks feared – need to intervene and promote pathways to reskill, retrain and redeploy workforce.
- Key sectors have been impacted differently - substantial opportunities lie in the Health and Medical Tech, Life Science and Care Sectors, which are thriving but short of skilled workforce.
- Rural businesses face particular mix of challenges around infrastructure, connectivity coupled with impacts on local accommodation, hospitality and tourism sites.
- Significant expansion plans by large sites in the wider region are off-setting local redundancies.

So there is more to do... Over the next 6 months we will...

- Continue to promote, develop and deliver the business support offer in partnership with the University of Northampton, SEMLEP, local business networks, building business and many other local and strategic partners including other local authorities.
- Work with the JobCentrePlus and other partners to develop a new employment service initiative to support those local people facing unemployment.
- Produce and publish a refocused Business Charter to ensure local services are firmly aligned to support local people and businesses.
- Contribute to strategic economic development work with a particular focus on the SEMLEP Recovery Plan and the Oxford Cambridge Arc Economic Prospectus.
- Continue to utilise the Enterprise Centre East Northants facility to drive and deliver the support programmes at the heat of the business community.
- Extend the out reach work by putting in place a shop front to increase the coverage and reach of the support programmes.
- Work with our local authority and strategic partners to start the process of producing an economic development strategy and action plan for the new North Northamptonshire Council.
A message from the Leader Steven North...

In the face of the impact of COVID, Enterprising East Northants, our local economic initiative, stepped forward to initiate a local response recognising that a rapid and agile approach was required to reassure and support local businesses and people through the most difficult economic times in living memory.

I am proud of the work done to date but also recognise there is still much to do. For this reason, I am pleased that the Council has allocated significant resources to ensure effective delivery over the coming months. Together we need to grasp the challenges and opportunities we all face, and emerge with an economy that is robust, resilient and able to thrive once more.

Cllr Steven North
Leader of East Northamptonshire Council

Achievements to date:
Over £29m of Government funding was allocated by ENC to local businesses to help ease the immediate impact of the lockdown.

Although this funding was essential the focus quickly moved towards supporting individuals and businesses to adapt to new market conditions through an approach underpinned by enterprise, innovation and entrepreneurship; only by embedding these fundamental business values are we able to drive a recovery process that is truly sustainable.

Vital to the success of this is the ethos formed by a new collaboration of local and strategic partners working together in the following ways:

- Putting in place a new local one stop hub for business support based at the University of Northampton which has been up and running since the 1 June
- Refocussing the current business support programme provided by Building Business to meet the emerging needs of business
- Incentivising the membership of local business support organisations including the Federation for Small Business and the local chamber of commerce so as to encourage business networking
- Recruiting a dedicated Enterprise Officer to support and drive and extend the reach of the service to the Borough of Wellingborough
- Securing support from ENC and the Shadow North Northamptonshire Authority
- Setting up a Recovery Hub at the new Enterprise Centre to be at the heart of the recovery process
- Convening a number of conversations across ENC services to help start the development of a new refocused Business Charter to ensure council services remain relevant and supportive through the recovery process
- Working with Town Councils to open up the high streets safely
- Starting work with the Northamptonshire COVID 19 Economic Cell, SEMLEP and the Oxford Cambridge Arc to develop a strategic approach to economic recovery and shaping a future strategy and action plan which will be driven through and by the new North Northamptonshire Council

Case Studies
Making a difference - TheatreStarz

- Response within 24hrs to offer analysis and prioritisation of needs of this Performing Arts business
- Key issue to identify COVID19 compliant venue for classes, otherwise the business would fold.
- Engaged in SM campaign, and contacting local press and Mayor.
- Offered a temporary site that was big enough to run a summer school programme that has enabled her to bring in enough revenue for her business to survive.

Supporting Wellbeing and emotional challenges around COVID19 - Personalised Nutrition Therapy

- A client in the early stages of business start-up which could have stalled in such uncertain times.
- 1-2-1 meetings gave overview of structures for the business appropriate to this time.
- Changed the experience from a sense of being overwhelmed to seeing this as a time of opportunity
- Confidence and energy restored!

Key themes:
- 24 hour response time
- Virtual calls and consultations
- Connecting clients for peer support and opportunities to explore new ventures
- Balancing expectations for grant programmes
- NOTE: scope to include other case studies from other areas of NN subject to agreement of other NN Council

NOTE: scope to include other leaders with their agreement
Unlocking and nurturing local entrepreneurship

The local economy has long been a ‘hotspot’ for business startup and growth. Over the last decade, with reassuring consistency, small business startups have outweighed business ‘deaths’ - making this a prime location for entrepreneurship.*

91% of businesses are classed as ‘micro’ and this represents a significant amount of energy and dynamism which has been both challenged by and most able to rapidly respond to COVID19. *

Key to the ethos of Recovery Through Enterprise is the ambition to energise, resource and support SMEs to think quickly, plan intelligently and affirm the economic activity that is the backbone of the local economy.

Therefore, we have accelerated and enhanced the support available to local small business, including startups and those ready to grow. Not only is there dedicated consistent resource from the SEMLEP’s Growth Hub, but in addition the University of Northampton’s Business Support Team have delivered webinars focused on business resilience and recovery. This is a strong and significant combination which is critical for supporting local SMEs.

A bespoke and local response across East Northamptonshire is illustrated by Building Business, our contracted provider of 1:1 small business support. As the pandemic unfolded, Building Business has been able to dynamically pivot and refocus support to help SMEs navigate the challenges and transform business models and services to meet new demands.

Here is what local business has to say about the support received.


Feedback from University of Northampton:

‘Gateway’ helpline at the University of Northampton demonstrates the critical value of the service to local business.

Targeted geographical focus of the RTE gateway programme drove double the number of enquiries compared to the rest of the county over Phase 1. 100% of businesses affirmed the effective diagnostic process offered by the gateway - getting to the specific detail of what businesses need.

86% of those referred to Wellingborough and East Northants Chamber were positive and either joined or considering joining to receive enhanced support through that channel.

40% of businesses referred to FSB gave a positive response and had either joined or considering joining to access full member benefits (subsidised offer for the duration of Phase 1).