# Business Support Strategy

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# 1. Summary

- 1.1 The Business Support Strategy attempts to align within the existing strategy framework and complement the Resident Welfare Strategy recently developed by Residents/Business Support Services providing an overarching welfare solution to both Residents/Businesses.
- 1.2 The strategy highlights the existing collaboration already taking place between Council directorates to support business and recognises the effective business relationships already in place between the Local Authority and the private sector with the opportunity to strengthen this further.
- 1.3 This strategy highlights the strong relationship formed between Residents/Business support services and Regeneration, the expertise within the services, and the opportunity to reinforce the relationship further and roll out across the Council in a way that will provide businesses with a more efficient journey through Directorates.
- **1.4** Finally it promotes the opportunity for efficiencies with a scale up (or down) approach by working with business effectively from the outset to streamline processes and avoid duplication of work.

# 2. Background

- 2.1 Resident and Business Support Services has recently developed and introduced a Resident Welfare Strategy as part of its overall strategic approach to improve the quality of service to Middlesbrough residents. The strategy pulls together the benefits available to help residents, and the policies that underpin the approach. A dedicated service provides residents with a simplified route through the authority and provides advice and guidance around welfare rights, council tax relief, household fund support, crisis support and debt management.
- 2.2 The Business Support Strategy sets out a similar methodology, identifying initiatives both internal and external that can support a business through its journey with the aim of providing a simplified effective route that can be scaled up (or down) according to the Local Authority's need and the current economic climate.
- 2.3 This strategy complements the Council's Strategic Framework, directly supporting the Council's Strategic Plan (2021 2024), the Mayor's priorities and Directorate Priorities (2022 2023)

## 3. Strategic Aim

3.1 The Local Authority works with business in a variety of ways, with the entry points into the Authority wide ranging and varied depending on requirements. Likely touch points include Regeneration due to existing business relationships and engagement established to support inward investment, skills and job creation. Statutory Council functions also play a key role for business, notably through Resident/Business Support

- Services with the collection of Business Rates, in addition to key public services such as Planning, Environmental Health and Public Protection.
- 3.2 Following the pandemic the scale and nature of business engagement became more significant than ever, with businesses, in some cases, realising for the first time the strength and inter dependent relationship between the public sector and private business. In turn the benefits of cross directorate working intensified throughout Council services.
- 3.3 As a result Resident/Business Support Services established a close working relationship with Regeneration to deliver efficient, fast and robust Covid 19 related business support programmes and sought to develop this further through a joint matrix management working arrangement.
- 3.4 The creation of a Strategic Business Management team to bridge the two service areas, provided a management structure that promoted autonomy, shared intelligence and leadership, whilst introducing a different perspective into each directorate.
- 3.5 The alignment has enabled a strengthened link between Regeneration and Resident and Business Services to provide a 'one voice' approach. A term that has been used frequently by many Local Authorities and highlighted recently by the Local Government Association (LGA).

The benefits of cross directorate working are outlined further in the examples below:

## Example 1:

Strategic Business Manager working across two Directorates (Resident/Business Support Services and Regeneration)

The manager sits within the Senior Management Team of both services and works closely with Non Domestic Rates supporting rates collection/strategic policy whilst supporting Economic Growth and Business Support functions within Regeneration

#### **Benefits**

- i. Understanding each directorate's motivations and how it relates to organisational vision and strategic framework
- ii. Nurtures camaraderie a feeling of 'we're in this together' amongst colleagues
- iii. Improves communications and the business customer journey
- iv. Greater understanding of Directorate challenges with opportunities to develop innovative solutions

#### Example 2:

Creation of a new Enforcement and Investigation Manager role within Resident and Business Services to work alongside Regeneration and Housing teams.

#### **Benefits**

- Improves collection rates
- ii. Targets strategic properties and problematic vacant units within key areas of the town
- iii. Co-ordinates approaches, minimising duplication resulting in cost saving across the organisation
- iv. Improves communications and the customer journey
- v. Provides greater understanding of directorate challenges with opportunities to develop innovative solutions
- 3.6 The aim of this strategy is to build on joint working approaches and provide a framework for working with business to ensure that the Authority provides a cost efficient service in order to achieve:
  - i. A stronger and more sustainable local economy:
  - ii. Improved collection rates
  - iii. Improved relationships with business
  - iv. Public service excellence:
  - v. Inclusiveness To ensure all businesses are treated fairly
  - vi. Quality support to businesses to maximise their growth potential and future stability
  - vii. Improved perceptions of the Council as the 'go to' independent service able to offer help, support and signposting where possible.

## **3.7** Objectives include:

- i. A clear and consistent business journey through the Local Authority
- ii. An understanding across service areas of the Business Support available
- iii. Strengthen and highlight the value further of cross directorate working
- iv. Identification of a business in distress
- v. A single point of contact (SPOC), where possible
- vi. Accurate and compliant database information
- vii. Connections with all business networks to be able to reach a wide range and diverse section of the business community
- viii. Up to date web pages and easy reference points within the Council's web pages
- ix. Agreed referral mechanisms between service areas
- x. Faster approach to identifying gaps across the service areas for the business

## 4. Centralised Debt Collection Services

4.1 Resident/Business Support Services now incorporates an integrated solution around all of the Authority's Debt, Financial Assistance, Advice and Support. With a targeted focus on the financial welfare of Residents/Businesses the services model complements the new approach by providing a one-stop solution to enable the

- identification and early intervention for businesses who are experiencing financial difficulty and who may require additional support.
- **4.2** Middlesbrough Council is committed to supporting viable businesses within this solution and aims to take positive steps to provide a tailored solution where possible.
- 4.3 The Council's comprehensive Corporate Debt Management policy in 2021 (Corporate Debt Management Policy 2021) sets out how the Council manages all of its debt and income, which supports a fair and consistent approach to the recovery of debt across all Council services.
- **4.4** Furthermore the Council adopted a Corporate Write Off policy <u>Corporate Write Off Policy 2022</u>) which sets out how the Council will consider writing off debt, the process for doing so, and facilitates a fair and consistent approach across all Council services.
- These policies underpin the Business Support Strategy and ensure businesses receive the best possible support (see figure 1).

Centralised Debt Collection Corporate Discretionary Debt /Hardship Management **Business** Support Policy 2021 Support Strategy Relationship Corporate Management Write Off /Advice & Policy 2022 Guidance

Figure 1 Business Support Strategy

# 5. Business Support

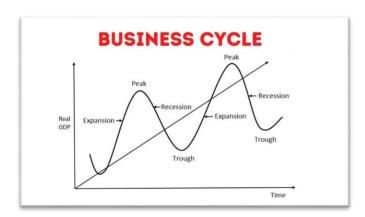
5.1 To improve business support it is worth understanding the lifecycle of a business. It is widely acknowledged that there are five stages of a business as outlined in Figure 2:

Figure 2 Business Lifecycle



- 5.2 The start-up phase is usually followed by a period of growth and expansion at varying pace depending on sector, demand, opportunity etc.
- 5.3 The ongoing effects of the pandemic are still evident with slow recovery across certain sectors, wider global energy impacts, supply, recruitment and retention issues and a cost of living crisis that have contributed to UK experiencing an economic downturn and challenging operating conditions. The Business Cycle highlights the forces which individual businesses have to manage.

Figure 3 Business Cycle<sup>ii</sup>



- As a business manages situations that threaten its viability it can lead to a feeling of being overwhelmed and a weight of responsibility that can result in overlooking its critical operations, such as payment obligations.
- 5.5 At this stage, support may be disregarded or remain misunderstood by the business as potentially being unsuitable or too time consuming to engage with. The opportunity

for the Local Authority to actively engage a business at this stage is therefore crucial to be able to discuss payment solutions or the wider business support available. The aim being to ultimately support business to stabilise and grow to sustain jobs, however it is recognised this may not always be possible. In a challenging economic climate it some businesses may take the decision to streamline their staff complement or close the business permanently.

- 5.6 The overarching strategies consider both the business and the resident's circumstances. The business is supported under the relevant policies and residents who find themselves facing an unemployment situation or reduced employment hours can be signposted to the welfare solution for residents to ensure their individual needs are met. Equally the strategies inform where Local Authority resources should be targeted, depending on where we are in the macro-economic business cycle.
- 5.7 Compared to some authorities Middlesbrough Council, pre pandemic, was in a relatively good position having developed strong external business relationships and a wide range of key contacts in business organisations such as Tees Valley Business, Teesside University, Federation of Small Businesses and North East England Chamber of Commerce. The team works closely with external partners to support priority business sectors, maintain strong business working relationships and manage inward investment and growth opportunities under the Council's business investment platform <a href="Invest Middlesbrough">Invest Middlesbrough</a>
- 5.8 The economic growth team provides a single point of contact, 1-1 support, signposting and engagement into wider corporate services relevant to the business. Table 1 highlights the support available through both Residents/Business and Regeneration services.

## Table 1 Business Supportiii

Residents & Business (Non Domestic Rates)	Regeneration (Business Support)		
Understanding rates liabilities, payment planning	Business guidance and support (including specialist support to Digital /Tech Sector, 1-1 discussions		
Discretionary Hardship Relief	Property Searches (private and public sector owned)		
Small Business Rates Relief	Finance and Funding Options		
Discretionary Rates Relief	Signposting to specialist external and internal support		
Valuation Office support	Access to relevant business networks/marketing tips, exposure to promotional and marketing opportunities		
	Introduction and Assistance with relevant programmes e.g. Buy Boro Programme, Teesside Restaurant Week		

**5.9** Table 2 highlights the range of programmes currently operating across the region. Many of the programmes are delivered locally by the Combined Authority's Business

Hub and Teesside University. The Local Authority fully supported this approach on the understanding that it would provide businesses with clear and comprehensive business advice and guidance, however, it has not necessarily always delivered as envisaged, leaving gaps in delivery and inconsistencies at times.

## Table 2 Regional Support Programmesiv

#### **Tees Valley Programmes**

Business Hub Growth Grants Research and Information Data, Intellectual

Property guidance Capital Investment Grants

SME Energy Efficiency Grants

Skills Support and Training Grants

Catalyst Fund

Support towards regeneration Infrastructure

Cultural Events and Art Grants

Apprenticeship Support Grants

CPI Enterprise Scale Up Programme

TWI – engineering, technology, process support

Support to creatives industries via Northern

Film and Media programmes

Department of International Trade (Export advisors)

Start Up/Business Planning/Training through a number of local partners

IDTC – Smart Manufacturing and Digitisation

(Teesside University)

Innovate Support (Teesside University)

Net Zero Hub (Tees University)

Leadership & Management Training (Teesside University)

Graduates for Growth (Teesside University)
DigitalCity (scale up and digital support
programmes)

Tees Valley Hydrogen Innovation Project

### **Regional and National**

Gov.uk Business Support Helpline

Defence and Security Accelerator Programme

UK Steel Enterprise (Grants and Investment)

**UK Research Institutions** 

Innovate UK

Innovate Edge

Start-up Loans Co / British Business Bank Finance including Recovery Loans/Angel

nvestors

Northern Powerhouse Investment Funds

NE Export Academy

**UK Export Finance** 

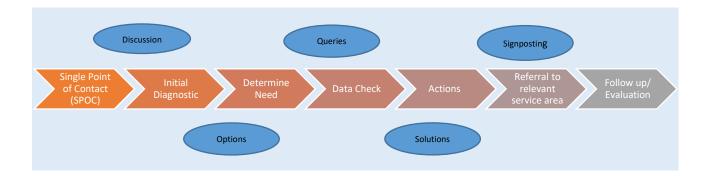
National Apprenticeship Scheme

Business Enterprise Fund

# 6. Business Journey

- 6.1 It is important the Council continues to reinforce the relationship with the private sector to provide business with a positive and efficient customer experience to support the welfare of the business.
- **6.2** Early recognition of the needs of a business leads to an efficient interaction for both parties and determines from the outset which phase the business is in and the support needed. In turn the Local Authority benefits from a positive, proactive relationship with the business, as well as improved and up to date records.
- 6.3 It is recommended that any business presenting themselves to the Local Authority will have their circumstances evaluated as quickly as possible at their first point of contact, with Residents/Business and Regeneration remaining the primary points of contact to support business. The review should include collection and payment planning, hardship and discretionary support (where applicable) and a wider, more detailed, business support conversation.

Figure 4 Effective Business Journey



# 7. One Voice Approach

- 7.1 A consistent message is essential to minimise duplication and provide effective strategies for reducing customer call volumes and delivering a rapid response. This approach encourages a deeper understanding for business of the inter relationships between Directorates and provides a more positive experience for the business with the Local Authority.
- 7.2 A 'one voice' approach as highlighted in section 3.0, formed quickly during the pandemic and was critical to the fast paced nature of delivery and the need to provide consistency. Single messaging throughout the pandemic for business gave services an authority of over its message and a controlled dissemination of information to minimise information overload. An important factor at the time due to the volume of information circulating.
- 7.3 This approach works well across an organisation's cross cutting themes, underpinning its values, strategic vision and aim. The framework wheel below outlines how this approach integrates the business support strategy across the Local Authority's existing strategic framework.

Figure 5 Framework Wheel



OUR VALUES	CROSS DIRECTORATE WORKING	PEOPLE PLACE BUSINESS
Passion Integrity Creativity Collaboration Focus	One Voice Residents & Business Regeneration Planning Public Health/Protection Environment Children and Young People	Beneficial relationships Increased engagement Informed decision making
SUPPORT AND GUIDANCE	PUBLIC/PRIVATE RELATIONSHIPS	STRATEGIC FRAMEWORK
Place making Investment Regeneration Jobs, skills Economy	Statutory/Non statutory Services Wide ranging business support landscape Strong Sectors Resilient local economy	MTFP Integrated Debt Solution LTP, Local Plan Investment Prospectus Strategic Economic Plan

## 8. Monitoring and Review

8.1 The implementation and effectiveness of this strategy and its supporting policies will be checked and monitored by the Head of Service and strategic management team. The strategy will be reviewed after the first 12 months followed by a full review every three years.

### 9. Evaluation

- **9.1** A number of indicators are already in place to help monitor the objectives of the strategy, and further performance indicators will be added during the life of this strategy.
- **9.2** Having adopted the strategy, the existing measures will be reviewed, and if necessary further measures will be added. This action will be fulfilled within six months of the strategy going live.

# 10.0 Legislative and Regulatory Framework

**10.1** Key elements of the legislative and regulatory framework for this policy are set out below.

Local Government Acts 1992 (as amended)	Establishes requirements to manage the Council's financial affairs and the appointment of a section 151 officer.
Data Protection Act 2018	Controls the lawful passing of personal data from one part of the Council to another.
Non-Domestic Rating (Collection and Enforcement)(Local Lists) Regulations 1989	Make provision for the collection and enforcement of non-domestic rates.
Insolvency Act 1986	Consolidates enactments relating to company insolvency and winding up, and bankruptcy of individuals
Equality Act 2010	Is an amalgamation of previous anti- discrimination laws. It is a law which protects from discrimination of unfair treatment on the basis of certain personal characteristics such as age
General Data Protection Regulation 2016 (GDPR) and Data Protection Act 2018 (DPA2018)	The GDPR/DPA2018 place a duty on the Council to comply with the data protection principles relating to processing of personal data:  (1)(a) Lawfulness, fairness and transparency; (1)(b) Purpose limitation; (1)(c) Data minimisation; (1)(d) Accuracy; (1)(e) Storage limitation; (1)(f) Integrity and confidentiality (security); (2) Accountability (including the rights of data subjects).

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Freedom of Information Act (FOIA) 2000	Under the FOIA, the Council has a duty to make information available to the public upon request, unless specific exemption(s) apply. It is also obliged to proactively and routinely publish information that has been frequently requested in the past in its Publication Scheme. Information requests frequently include requests for information held in emails.
Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) Regulations 2020	Establishes a debt respite scheme and establishes a breathing space moratorium and a mental health crisis moratorium.
County Courts Act 1984,	Establishes a single county court and its jurisdiction
Civil Procedure Rules 1998	Establishes the rules of Civil Procedure used by various courts in the UK
Charging Orders Act 1979	An Act to make provision for imposing charges to secure payment of money due, or to become due, under judgments or orders of court; to provide for restraining and prohibiting dealings with, and the making of payments in respect of, certain securities; and for connected purposes.
Safeguarding Vulnerable Groups Act 2006	An Act to make provision in connection with the protection of children and vulnerable adults.
Modern Slavery Act 2015	An Act designed to combat modern slavery in the UK.
Tribunal Courts and Enforcement Act 2007	An act which makes provision for tribunals and inquiries, particularly relating to the enforcement of judgments and debts.
Insolvency Act 1986	Consolidates enactments relating to company insolvency and winding up, and bankruptcy of individuals
Equality Act 2010.	An amalgamation of previous anti- discrimination laws. It is a law which protects from discrimination of unfair treatment on the basis of certain personal characteristics such as age, gender, race, religion, etc.
Regulation of Investigatory Powers Act 2000 (RIPA)	Governs the use of covert surveillance by public bodies.

<sup>&</sup>lt;sup>i</sup> <u>Supporting councils with business engagement | Local Government Association</u> <sup>ii</sup> Reference www.businessyield.com

iii Correct as at 22.9.22

iv Correct as at 22.9.22