

Review of Economic Development & Tourism Portfolio OSCOM 9 December 2020

OSCOM Member's questions raised in advance

TVBC have provided good support to local businesses over the Coronavirus, as we emerge from the pandemic what support can TVBC give to local businesses over the next few years? Do we work with other authorities and HCC?

The Government's latest November 2020 lockdown funding allocation for TVBC (of £2.52m.) is intended to last until March 2022 and could include general business support. The allocation is currently funding the Additional Recovery Grant and will be available for businesses affected in the current Tier 2 Lockdown which is reviewed every two weeks.

The Council's Business Incentive Grant budget will remain in 2021/22 and its Independent Retailer Grant has been upgraded from £1,000 to £1,200 to take account both of inflation since it was first introduced and to encourage recipients to develop an online presence. This uplift also reflects the Council's priority for town centres.

Business doesn't necessarily operate the local authority boundaries so TVBC has and will work with other authorities across many agendas, including the framing of the Government's discretionary business grants. In terms of current Pandemic-related business support activity, TVBC is working with Eastleigh BC, New Forest DC, East Hants DC/Havant BC to commission the Pop Up Business School event 7-11 December 2020 (to support people considering self employment).

TVBC is also working with Eastleigh BC, Winchester CC and New Forest DC on a Youth Hub which would provide enhanced DWP support for young people on Universal Credit.

What is driving the housing market is it the jobs or jobs driving housing market. What is the relationship between economic growth and housing? How does the portfolio integrate with the local plan?

As the recent Economic Diversity presentation to OSCOM illustrated local housing and employment markets are related in complex ways through commuting patterns.

We don't have detailed information on why people are moving into the new communities in Test Valley but, typically, it will be for a variety of reasons including:

- moving into a larger/newer home within Andover
- as above but from further afield including Basingstoke/Thames Valley even London
- moving to be nearer family
 - retiring
 - moving for work reasons.

The following reports provide a useful insight:

<http://www.harradines.co.uk/news/what-are-the-top-10-reasons-people-move-house/>

https://www.savills.co.uk/research_articles/229130/306693-0

The strong demand for housing makes it relatively straightforward easy to plan for in so far as land allocated is, generally, promptly developed. However, the provision of jobs is more dependent on the commercial property market. We need jobs to try and keep pace with new homes to avoid towns becoming dormitories.

Therefore as well as land for employment development we need the facilities which make our towns attractive to move to eg education, learning, recreation, culture etc. The Andover and Romsey Masterplans demonstrate the Council's desire to make Test Valley an attractive place to come to and invest in.

What is the income and outgoings of grant funding and what proportion of staff time is spent administering this? What is the funding for climate green initiatives and grants?

Business Incentive Grant 24 grants @ £750 each

Independent Retailer Grants 20 p.a. @£1000 each - £1200 from 1.4.21

Time spent varies: EDO 5-10% of time; Admin Assistant 10-20%time?

We are promoting funding for businesses to reduce energy use:

<https://greentechsouth.com/> c£60,000 to about 6 TV businesses this year and very soon from

<https://locase.co.uk/> of which TVBC is one of about 4 Hampshire members

The High Street is shrinking, what is the Portfolio Holder's view on future development?

The range of individual occupiers and balance of uses on our high streets is, generally, a matter for the local commercial property market. Planning policy has a general influence on retail versus non-retail uses but Government regulations on use classes and permitted development will continue to encourage to make this relationship more flexible.

There is no doubt that across the country the balance a of uses and roles of our town centres are changing with the proportion of conventional retail shops shrinking. The Pandemic and lockdowns have accelerated the process of town centres losing ground to online and out of centre retail provision. It is also likely that multiple retailers are consolidating their estates on the high street and moving online more than independents.

The Council is addressing the changing nature of town centres in a variety of ways and timescales. Recently the Council approved the uplift of the Independent Retailer Grant to £1200 both to take account of inflation but also to support applicants developing an online presence to strengthen their resilience. Similarly, the Council's flexible letting policy has attracted a number of new independent occupiers into The Chantry Centre. The Council works closely with the Andover BID Manager and Romsey Town Centre Manager to support town centre businesses.

In the medium term the Romsey South of Town Centre Masterplan and Andover Masterplan will provide the framework for the recovery of our town centres probably with a stronger emphasis on non-retail uses including residential, leisure, possibly flexible business uses as more people continue to work from home. Against this context the commercial property market will operate to bring new occupiers into our town centres.

How do we grow certain aspects of business in the Borough, such as any new industrial estates or the work force how do we take this forward? What are the visions and strategy for the Borough? What makes Andover a good place to be?

There is commercial land available at Andover Business Park, Walworth Business Park and its extension. A study is underway to advise how much additional employment land and of what kind is needed for the Local Plan Review – which will set out the longterm development strategy.

<http://walworthbusinesspark.co.uk/availability.php>

<https://uk.goodman.com/andover-business-park>

Please provide details on economy of Romsey. Very interested in rural Test Valley where lot of areas have good economic development. It would be helpful to have the figures for the rural area as well..

Much is happening in Romsey through Romsey Future

<https://www.romseyfuture.org.uk/projects>

Test Valley's rural economy is very important: the EU-funded LEADER Programme illustrated the range and appetite of rural businesses for modest capital support especially in sectors such as hospitality and tourism.

The Council has created a vibrant tourism business network and promote in many ways.

Previously we have supported village/community shops. Broadband very important.

Romsey town centre doing well.

The future of farming policy and post Brexit trade deals will be very important for Test Valley's farming sector.

- **How many Start-Ups, micro-businesses and SMEs do we have in Test Valley?**

Data from Office for National Statistics (ONS)

Business size

6095 micro businesses (employing 0-9) 89.9%

560 small (10-49)

100 medium (50-249)

20 large (250+)

6780 total 2020

New business formed 2019

Hampshire	7,985
Basingstoke & Deane	925
East Hampshire	675
Eastleigh	1,075
Fareham	555
Gosport	280
Hart	560
Havant	595
New Forest	775
Rushmoor	525
Test Valley	1,095
Winchester	925

TV highest number in the county!

How many people within TVBC are registered as self-employed?

16.8% in the south east

- **What has been the impact of Covid-19 on these groups? Can you give us a sense of how many have applied for financial support from TVBC – beyond the total sum which is often quoted?**

Small Business Grant (£10,000) & Retail, Leisure, Hospitality Grant (£25,000)

2201 businesses (£27.040m.)

Local Authority Discretionary Grant First & Second Rounds

243 businesses (£1.382m)

November Lockdown Grants

Hundreds more applications

<https://www.testvalley.gov.uk/business/covid-19-national-lockdown-business-grant-schemes>

- **How many grants have been paid and what proportion is this of the total who asked for support?**
- **What are Test Valley's economic strengths and how are we playing to them?**

This will be covered in the forthcoming Cabinet Report on the Test Valley Economic Development Strategy Interim Update – Preparing for the Recovery.

- **What evidence is there to demonstrate that TVBC is supporting greener business initiatives?**

Please see above in respect of LOCASE and Greentech business grants.

In addition the Council are supporting at least two tech start ups in the University of Southampton Science Park (USSP) which are at the leading edge of carbon reduction.

Small businesses often struggle to afford changes to address environmental challenges. What are we doing to help them?

Through Greentech South

- **What are the current priorities for Andover BID and how do you evaluate their performance?**
- <https://www.andoverbid.co.uk/>

Doing a good job in terms of member services but facing massive challenges of Pandemic/lockdowns and online competition. Post pandemic period will be very important.

Interested in vision for the likely new normal in TV. where we think it's going and how we will support residents and business. What opportunities will there be to encourage green industries? Do we have a view of what we would like and is there a strategy to encourage those business?

How do we intend to help the tourist industry recover and build on where we were before? Will that be an active role or at arms length.

To be covered in OSCOM presentation

There is more working from home and there is a lot of upskilling information from trainers and colleges. Is there an opportunity for some business fairs along those lines?

Good idea post Pandemic

Will we be getting a Test Valley economic assessment report for the last 4 years, the last one was 2016 as part of the end of the strategy. (No but will trigger at the right time)

Given scarce resources the priority will be to look forward and anticipate what future pressures and opportunities there will be. We are doing this in two stages: first and interim update of the strategy; and then, once the future is a bit more certain a longer term and comprehensive review of the Economic Development Strategy.

Have we gathered information on new business opening in the borough? If not then will we and how would we capture this

No systematic information on new businesses opening in TV unless they come to us for a regulatory consent etc – occasional surveys of companies House etc. Some information from local press etc

1. Business Awards – How successful have these been .

- Easy answer: Very - otherwise they would not have reached 15. Sponsors such as USSP stayed with us for 10 years so must see the value.
- More generally: they are the only forum which brings together businesses from across the borough – in particular USSP with whom TVBC is on the best of terms (eg we consulted them on revised LEP boundary review; they contributed to TVBC Peer Group Review in 2019 and many other issues). Celebrates the achievement of Test Valley businesses eg Going the Extra Mile initiative.
- Not sure whether TVBA is a determinant on business survival rates but it does bring businesses together for trade and relationships and promotes Test Valley business in general and has raised £000s for charities.
- TVBA is independent from TVBC though we do of course support them.

How many have we awarded. How many companies are still in existence. How many have grown

- TVBA has been running 15 years. Some of the early winners are still going but don't have details for all 75-90 winners.

2. Home Working – there is now a greater emphasis on this and growth of individual home working businesses will become increasingly important. How can we support this.

- Underlines need for better broadband, which is an action in Economic Development Strategy.

- Home working carries implications for insurance and possibly even business rates so would urge home workers to get necessary advice eg from FSB.

Many are working from home in ergonomically unsuitable conditions and without the awareness of all the technology available. How about a Fair on home working.

- Yes good idea will raise with Enterprise First etc
- Working conditions must be responsibility of employee and employer

3. What real influence is the Portfolio having on Planning and the local Plan. What was the economic growth assumed for the current Local Plan and what has been achieved. What is being assumed for the next local Plan.

- EDO involved in employment needs study; consulted on Issues & Options etc.
- Corporate culture of working together - communication
- Local Plan policies reflect NPPF but their interpretation will have a local dimension.
- In the current economic crisis I hope the economic implications receive due weight

What plans are there to promote Test Valley as a tourism destination? With visitor attractions such as Mottisfont the hawk conservancy, and the air museum. A scenic rural heartland, including Stockbridge. And Romsey and it's surroundings (and near neighbours) in the south. There must be an opportunity to sell all of Test Valley to staycationers.

All the indications coming from national tourism bodies like visit England is that there will be great opportunities for domestic tourism as we emerge from the Pandemic but people are reluctant to resume international flying.

Test Valley has traditionally appealed more to the domestic r than overseas visitor market.

The Council has been promoting Test Valley and its hospitality businesses for the domestic/staycation market for a number of years but the Pandemic and lockdowns have created a much greater potential for 2021/22 than in previous years which the Council and partners will be keen to capitalise on.

The Council promotes Testy Valley in a variety of ways, including:

- liaising closely with Hampshire County Council www.visit-hampshire.co.uk as our destination management organisation over promotional campaigns for 2021/22 as it did on the Enjoy Summer Safely initiative;

- in managing the Visitor Information Centre in Romsey TSE will be promoting businesses and events through social media;
- the Council's specialist tourism PR agent will continue to promote Test Valley through press releases and liaison with the hospitality press;
- the #visittestvalley social media promotion undertaken by The Marketing Collective in association with a hard copy guide will continue through 2021/22.

There are also a number of significant tourist developments in train, some requiring planning consent, which would significantly enhance the borough's attractiveness to visitors.

2. Would it be possible to introduce another business incentive grant - one for notably good work on responding to climate change?

If Test Valley Business Awards can go ahead in 2021 an award category which celebrates carbon reduction would be well worth considering.

As part of its business support function the Council promotes <https://greentechsouth.com> which offers free energy audits and offers grants to achieve energy reduction; and is a member of the <https://locase.co.uk/> consortium of local authorities which will have access to EU grants for businesses seeking to reduce energy consumption.

The Council has funded a number of start up businesses engaged in energy reduction or other aspects of the Climate Emergency including a zero waste shop.

File: Econ Dev/Statistics/Information/2020