

For General Release

REPORT TO:	CABINET 19 November 2018
SUBJECT:	Croydon's Year for Business
LEAD OFFICER:	Shifa Mustafa – Executive Director Place Emma Lindsell – Director of Economic Growth
CABINET MEMBER:	Cllr Manju Shahul-Hameed – Economy & Jobs
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT Croydon's Year for Business supports achievement of outcomes under the following themes in the 2018-22 Corporate Plan: <ul style="list-style-type: none">• <u>Business moves here and invest, our existing businesses grow</u> The Year for Business has been designed to improve the perception of Croydon as a place to do business and of the council as an organisation that supports Small & Medium Sized Enterprises (SMEs).• <u>Everybody has the opportunity to work and build their career</u> By supporting our businesses and improving their sustainability and profitability we increase the number of jobs in the borough; combined with the offer of a free to use recruitment service – Croydon Works - we improve the chances for our residents to secure good local jobs.	
FINANCIAL IMPACT There are no direct financial implications arising from this report. However, supporting our local business base has positive impacts on the Council's finances in the longer term as set out in section 5.1.	
FORWARD PLAN KEY DECISION REFERENCE NO.: not a key decision	
The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below	
1. RECOMMENDATIONS The Cabinet is recommended to: <ul style="list-style-type: none">1.1 note the contents of this report	

2. EXECUTIVE SUMMARY

- 2.1 This report provides an update on actions resulting from the Croydon Small Business Commission which delivered its final report in September 2017. The Commission explored the barriers to and opportunities for growth for Croydon

businesses. The Year for Business is one of several actions that have been delivered in line with the recommendations of the Commission.

- 2.2 2018 is Croydon's Year for Business. Croydon Means Business is a package of activity and campaigns celebrating and supporting small businesses in the borough. To date 158 events have taken place engaging with 4500 businesses; another 30 events will take place before the end of the year including Croydon's Economic Summit on 22nd November 2018.
- 2.3 The first Croydon annual business survey will be conducted in early 2019 to assess the impact of the Year of Business; positive feedback from individual businesses and support agencies has been received throughout the year.

3. DETAIL

The Small Business Commission 2017

- 3.1 In 2017 Croydon's Small Business Commission worked with small businesses to explore their barriers to and opportunities for growth. The Commission was led by independent chair Andrew Bauer of the Whitgift Foundation with commissioners from the small business sector, and delivered its final report in September 2017.
- 3.2 Small & Medium Sized Enterprises (SMEs) – those with fewer than 250 employees - make up 99% of Croydon's business base; ensuring their continued sustainable growth is a central plank of Croydon's emerging Economic Growth Strategy.
- 3.3 During the course of its investigation the Commission surveyed over 1,500 local businesses, and held focus groups and individual interviews with business owners across the borough to understand the common barriers faced by Croydon's business community. Following extensive consultation the Commission's findings showed that the biggest barriers to growth were:
 - Increased taxes and rising costs restricting business growth (business rates, auto pension enrolment, Brexit uncertainty);
 - Confusion for businesses accessing finance;
 - Recruiting and retaining talent;
 - Confusion on where to go for business advice and guidance;
 - Pressure on existing markets;
 - Pressure on employment land and work space.
- 3.4 With Croydon Business Network - a collaborative of business support organisations, networking groups, banks, and lobbying groups such as the Federation of Small Business - the council has created an action plan to address the issues the business community face. The action plan includes:
 - Lobbying on business rates;
 - Joined-up support, advice and guidance on accessing funding, grants and business support;
 - Opening access to local markets by providing information on procurement opportunities for SMEs;
 - Opening access to international markets for SMEs with workshops, seminars, advice and contacts;

- Development of the bespoke concierge service Croydon Urban Edge to assist business relocation;
- Promoting Croydon as a great place to do business.

3.5 Croydon's Year for Business has brought together delivery of the action plan and co-ordinated activity under a single brand that has been developed with and for our business base. The overall aim of the Year for Business is to improve perceptions of Croydon as a place to do business and of the council as being open to and for our small businesses.

Croydon Means Business – 2018 our Year for Business

3.6 Between January and October 2018 158 business focused events have been delivered including, but not limited to:

- Access to finance workshops
Showcasing the range of financial products on offer to businesses to make clear the options to our SMEs. Products on offer included the council's Croydon Enterprise Loan Fund (CELF) which offers £1,000 - £50,000 loans to help small businesses start-up or grow.
- Marketing & Communications Workshops
Support from marketing professionals and social media experts on effective communications and targeted messaging.
- Business to Business Networking
A wide range of networking events have taken place, some themed by sector to enable businesses to access new supply chains. The event aimed at opening access to the council's supply chain was particularly effective and well attended.
- Social Saturday
Held at Clocktower on 13th October 2018 Social Saturday was a showcase for Croydon social enterprises – it encouraged businesses and residents to buy products and services from Croydon's varied social enterprise sector.
- Business Breakfasts with a social heart
Morning meetings covering topics such as hiring people with disabilities, tackling modern slavery, and the benefits of paying the London Living Wage have been delivered under the *Good Employer Charter* brand – these events have promoted ethical business practices.
- Recruitment Events
Several recruitment events have been held during the Year for Business to encourage businesses to recruit local residents – for example the Reverse Jobs Fair held on 9th November showcased the talent of disabled residents.

Other actions from the Commission recommendations

3.7 Flexible small business space

The council has supported the creation of new business space using business rates relief – it has supported the creation of TMRW Tech Hub on the High Street and the Business Xchange Hub on Landsdowne Road, it has also supported the expansion of Sussex Innovation Centre in the same way. There are further plans in development to create of more flexible start-up and move on space across the borough.

- 3.8 Strengthening Croydon Business Network and simplifying the business support package
Croydon Business Network is a collaborative of business support organisations, networking groups, banks, and lobbying groups such as the Federation of Small Business. The group has worked closely to deliver Croydon's Year for Business reducing duplication and simplifying the offer. The group meets bi-monthly and will continue their close collaborative relationship in the future to best meet the needs of Croydon businesses.
- 3.9 Developing international links
The council has hosted several visits from overseas delegations to promote trade links – the latest from Henan Province China. The outcome of this latest visit is that Henan Province is pursuing international links with at least one Croydon business and with one of our schools. Looking to the future, the focus of the Economic Summit on 22nd November is global trade, and an international trade fair will take place in April 2019.
- 3.10 Free training and recruitment offer
Croydon Works is a free to use professional recruitment service which takes vacancies from businesses and matches suitable Croydon residents into the jobs. Croydon Works, with key partners including Croydon College, CALAT, Willmott Dixon and Gatwick Airport have run several training into work programmes which have seen 315 vacancies filled with Croydon residents so far in the Year for Business.
- 3.11 Business Rates lobbying
The council recognises that central government's business rates re-evaluation has had negative impacts on many businesses in the borough. The misperception that the council sets business rates persists and an information campaign clarifying the position has been central to the Year for Business. The council will continue to lobby government in the subject of business taxation reform to promote more equitable business taxation.
- 3.12 Supporting Businesses in specific locations
The council is committed to supporting Business Improvement Districts (BIDs) and Business Associations across the borough and to jointly tackling key place-based issues that inhibit business growth. An example of this is the work the council is undertaking with Sarah Jones MP to support business affected by delays to Transport for London (TfL) led works on the Blackhorse Lane Bridge.

4. CONSULTATION

- 4.1 The design and implementation of the Year for Business came directly from the Small Business Commission consultation that took place in 2017; over 1500 businesses were engaged in that consultation.

In addition Croydon Business Network have continued to engage their stakeholders and members in the design of the Year for Business to ensure that it meets the emerging needs of our businesses.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 There are no direct financial implications arising from this report. However, supporting the sustainability of our local business base has positive impacts on the Council's finances in the longer term from:
- Increased business rates income (generates income to the council)
 - Supporting our residents to be financially independent through entrepreneurship or employment (reduces reliance on public funds).
- 5.2 All activities delivered through the Croydon Year for Business have been delivered within existing council budgets or through sponsorship.

Approved by: Lisa Taylor, Director of Finance, Investment and Risk

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Solicitor to the Council comments that there are no legal implications arising from the recommendations in this report.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law for and on behalf of Jacqueline Harris-Baker, Director of Law and Governance & Monitoring Officer.

7. HUMAN RESOURCES IMPACT

- 7.1 There are no specific HR issues arising from the contents of this report.

Approved by: Jennifer Sankar, Head of HR Place on behalf of Sue Moorman, Director of Human Resources.

8. EQUALITIES IMPACT

- 8.1 An Equality Analysis was undertaken at the outset of the Year for Business and there are no specific equalities issues arising from the contents of this report. Events held throughout the Year for Business were designed to have positive outcomes for all communities including targeted equalities groups namely disabled people, young people and vulnerable groups such as unemployed residents etc.
- 8.2 Several events also tackled social and economic exclusion, therefore helping the council to achieve its equality objectives namely; to increase the rate of employment for disabled people, young people, over 50s and lone parents who are furthest away from the labour market; and, to reduce the rate of child poverty especially in the six most deprived wards through paying the living wage and supporting council priorities such as modern slavery.

Approved by: Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

- 9.1 There are no specific environmental impacts arising from the contents of this report, however specific events forming part of the Year for Business were designed to promote environmental sustainability and help businesses to minimise their negative environmental impact.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 There are no specific crime and disorder issues arising from the contents of this report.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 99% of Croydon businesses are SMEs (Small & Medium Sized Enterprises) - those with fewer than 250 employees – providing continued appropriate support to our small business base is a central plank of the council's emerging Economic Growth Strategy.
- 11.2 Based on feedback received from business during Croydon's first Year for Business the campaign has improved perceptions of Croydon and the council within the small business community. The success of the Year for Business as a whole will be further measured via a survey with our small business base in early 2019.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 Several options for the delivery of the Year for Business were considered and discussed with the Croydon Business Network. The network has pulled together the best combination of activities throughout the year to address the key concerns Croydon Businesses raised through the Small Business Commission.

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APPENDICES TO THIS REPORT: Appendix 1 – Small Business Commission
Final Report, September 2016

BACKGROUND PAPERS: [Small Business Commission, Cabinet Report
19 June 2017](#)