

**MINUTES OF THE SCRUTINY REVIEW - SUPPORT TO SMALL BUSINESSES
FRIDAY, 11 DECEMBER 2009**

Councillor Adje (Chair), Allison, Thompson and Winskill
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Also present Juneed Asad, Nick Schlittner, Patrick Jones and Martin Tucker LBH, Rebecca Corral Fair Finance, Amber Wright LYST, Clare Richmond Crouch End Project, Nicky Price Tottenham Carnival, and Gary Ince North London Business, Carolyn Banks (minutes).

LC1. APOLOGIES

Bob Austin LYSF, Ita O'Donovan, and Huw Jones Chamber of Commerce

LC2. URGENT BUSINESS

None

LC3. DECLARATIONS OF INTEREST

None

LC4. SCOPE AND TERMS OF REFERENCE FOR THE REVIEW

That the scope and terms of reference for the scrutiny review of support to small businesses be approved.

LC5. PROVISION AND DEMAND OF BUSINESS SUPPORT TO SME'S IN HARINGEY

Members discussed the recommendations from the previous review into support for small businesses, and sought assurances that follow up action had taken place. Although officers advised that we were now operating in a very different economic climate, an example was given in relation to the recommendation for Haringey to have a single gateway to guide small businesses. Research been carried out and a feasibility study involving other Authorities undertaken. In London a pilot scheme had not been successful. Also over time the Government's priorities had changed. However Haringey had invested money in a number of linked initiatives and had developed a data base for businesses across the borough, business pages on the Council's website had been developed and a business pack for businesses produced.

Members questioned the role of the Enterprise Board and were concerned that they had not asked for an update from the previous review. An update on the recommendation was requested.

In comparison with LBs Redbridge, Waltham Forest and Enfield it was noted that Haringey had the largest budget of £600,000. There was some discussion around the level of support provided and the costs.

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The representatives from Tottenham Traders and the Crouch End Project both stated that the level and quality of advice provided by the Business and Enterprise team was of good quality and effective.

The Business and Enterprise team worked very closely with the NNDR rates team to ensure that small businesses obtained any rate relief that they were entitled to. A leaflet setting out support available to businesses accompanied their rates demand. Also HAVCO sat on the Commissioning Panel which allocated funds for enterprise activities, their presence also helped to ensure that hard to reach businesses were not left out of the process.

Officers cited the recent opening of PRIMARK store in Wood Green as an example of where successful networking had led to the creation of employment opportunities and through the Haringey Guarantee scheme local residents had gained employment.

We also discussed the Haringey City Growth implementation and Outputs since its inception. Members asked for a full update of outcomes to date.

North London Business advised that Haringey went further than other North London Borough's in helping small businesses to obtain hardship relief. The Panel noted that this could have financial consequences for the Borough should that business subsequently go bankrupt, the Council was then responsible and accountable to Government.

Although the Panel noted that benchmarking had been made with Redbridge, Waltham Forest and Enfield it was suggested that benchmarking with Camden, Islington and Hackney would be useful.

Nationally funding to support small businesses had diminished and although Haringey had more funds than the comparative boroughs there was still insufficient to offer enough support to businesses. The Business and Enterprise team did not have sufficient resources to be able to track enquires that they received. Additionally the team would like to extend their support to businesses such as to the newly established Wood Green Business Forum. The Panel considered that any funds available should be directed to micro businesses rather than those employing more than 70. Whilst much of the Unit's money was spent on training it was suggested that £50K be set aside for business start up support.

The meeting discussed the support that could be given by Property Services particularly in the current recession, such as a rent free period and reasonably affordable premises and other support packages that the Council could make available. A suggestion was made that where there was empty premises they could be offered to businesses rent free. The Panel noted that this had been successfully undertaken in Greenwich. The members agreed that the Local Development framework should be strengthened to ensure that there was sufficient protection for commercial properties in the borough.

There was a discussion around the benefits of setting up Business Improvement Districts (BID). It was noted that LB Waltham Forest had set up successful BIDs in Leytonstone Town centre and Argall Industrial Estate. Ms Richmond explained the

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benefits from the scheme set up in Crouch End. These included services, such as additional cleaning streets, providing security, making capital improvements, and marketing the area. The aim was to encourage people to shop locally, and to invest in the local community. Officers advised that other areas within the borough were being examined as possible locations for further BIDs, although it was beneficial to select areas that had a well established business community.

The meeting noted that in Waltham Forest 50% of council contracts had been awarded to local suppliers within the last three years. Although there was no target in Haringey around 30% was achieved. It was agreed that further enquires as to Waltham Forest's methods should be explored.

It was noted that the Business and Enterprise team were engaged in increased support to give local businesses more chance of successfully tendering for council contracts and extra advice on how to enter pan-London programmes such as the London 2012 Olympic procurement programme CompeteFor. Additionally it was noted that there could be huge opportunities for corporate hospitality from the proposed Spurs development. However it was important that liaison between the 6th Form centre and Spurs be held to ensure that pupils at the 6th Form Centre received the appropriate training so that they could be employed in useful trades i.e. hospitality

RESOLVED:

1. That the next meeting receive presentations as follows from:
 1. Local businesses and representatives of local businesses on what they think of the support they have been given from the Council.
 2. GOL/LDA/GLE to be invited to talk about support that they can offer small businesses
 3. The Assistant Director for Planning, Regeneration and Economy on proposals for the development of the Business and Enterprise Team and its cost effectiveness
 4. Economic Regeneration and North London Business on Haringey City Growth implementation and outputs.
2. That information be requested from Property Services and Benefits and local taxation on their support offered to small businesses.

LC6. NEW ITEMS OF URGENT BUSINESS

None

LC7. DATE OF NEXT MEETING

14 January 2010

Clr Charles Adje

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Chair