

NORTH LINCOLNSHIRE COUNCIL

CABINET

ANNUAL REVIEW 2020-21: BUSINESS DEVELOPMENT

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To present an annual review against the Council Plan 2018-21 in the context of the COVID-19 response and mid-term recovery plan.
- 1.2 The report provides an overview of performance for the year and achievement against the ambitions, goals and priorities of the council plan.
- 1.3 It also informs cabinet of the work undertaken across the service to support the response to the pandemic and contribution to the COVID-19 mid-term recovery plan priorities.
- 1.4 As part of the next phase of strategic planning the report highlights areas of focus for 2021-22 and beyond.

2. BACKGROUND INFORMATION

- 2.1 The Council Plan 2018-21 sets the strategic framework for the operational delivery of council functions. This report demonstrates the activity and performance across Business Development that has contributed to the strategic ambitions and priorities.
- 2.2 The operating environment during 2020-21 has been affected by the COVID-19 pandemic, the report outlines how we have reacted, responded and adjusted our responsibilities in implementation of government initiatives, legislation and guidance to ensure that our services continued to deliver and our role in enabling and supporting businesses, communities and residents continued.

2.3 The Council's approach throughout this period have been rooted in the values, principles, and ambitions of the Council, and furthered through our strong partnerships, one Council approach, excellent assurance, and financial practice.

2.4 Business Development have continued to operate at a face-to-face level where appropriate and agile wherever possible in accordance with government guidelines. Change has been implemented at pace to ensure service delivery without compromising governance and assurance.

2.5 Keeping People Safe and Well:

Despite the unprecedented circumstances brought about by the COVID-19 global pandemic and subsequent series of national lockdowns, the housebuilding industry and the local housing market are clearly showing good signs of recovery with a substantial increase in completions.

The overall total number of homes built during 2020/21 is the highest achieved over the past five years (442) and is a 6% increase on last year's total.

The council's 2021 Housing Growth Plan target of building houses with a value of £1,000,000 by 2021 was met and surpassed 2 years early in 2019/20.

We transformed our Registrar service to enable residents to register deaths virtually, births through a 'drive through' facility, and socially distanced weddings, whilst performance has been affected by national restrictions, we have continued to achieve a constant level of customer satisfaction.

2.6 Economic Growth and Renewal:

The Economic Development team has continued to see significant demand in engagement with businesses, over the full year we have had 33,234 individual contacts with businesses, 7 times the normal annual contacts. Our relationship with businesses has never been better, with an uplift in investment enquiries and non-COVID related discussions.

Significant work to improve our 'digital front door' has taken place with the launch of the Councils new Website, the provision of a digital newsletters, social media. Our digital business newsletter has been delivered to over 6,900 businesses with a 98% open rate and our Twitter/LinkedIn seeing significant growth in engagement and followers.

We have paid grants of £60 million in 2020/21 to businesses in line with government legalisation and guidance.

Inward Investment has managed to successfully complete conversions throughout the year, including several large UK business relocations into North Lincolnshire and existing business growth and diversifying to meet market need. Continual proactive marketing and strengthening of relationships with our partners, and our investment in key infrastructure including broadband, road and rail has ensured that North Lincolnshire is the best place to invest.

Our commercial property portfolio has been strengthened with the addition of newly developed commercial units which were fully let on completion. In addition, we have successfully rented several vacant units within the portfolio reducing our already low vacancy rate. The performance of the portfolio remains strong despite a challenging year.

March saw several positive announcements for the region; Freeports, the Towns Fund, decarbonisation projects and ABLE land infrastructure, which we are looking to build on in the coming months and years to support the delivery of our Economic Growth Plan.

In September 2020, 32,100 (41.1%) of North Lincolnshire residents were employed in highly skilled occupations. This is a significant improvement on the 27,300 (35.9%) recorded for September 2019.

Supported by partners, we have seen an increase in the number of people gaining higher level skills, which has supported more residents in higher level roles within the economy. Four of the inward investment conversions this year have been within sectors which require highly skilled workers (Engineers and Offshore O & M).

We successfully attracted £122m of external funding to NL during the last financial year.

2.7 Enabling Resilient and Flourishing Communities:

We enabled and delivered infrastructure projects to support the ambitions of the Council, supporting housing and employment growth, whilst ensuring we meet the contractual requirements of the funding to deliver these projects.

Development Management Services continue to ensure that we discharge our Local Planning Authority Duties, improving our yearly performance in both major and minor application determination.

Our markets provision continued to operate throughout lockdown in a Covid Compliant manner ensuring our communities could access food essentials.

Building on our transformation of the Registrars Service, through the pandemic we have increased our approved premises for Wedding Ceremonies – this has supported the service to continue to deliver Weddings in North Lincolnshire.

2.8 Well Led: Business Continuity

We have continued to discharge our statutory function of Registrars.

RIDDOR rates and the number of accidents reported have decreased due to the increase in homeworking.

HR/OD have gone to a virtual and digital environment, launching a new online portal for recruitment, and implementing a joint HR and Payroll system, streamlining two systems into one. The project was winner of the Best Business Transformation award at the #Best Awards 20/21.

We enabled and delivered workforce wellbeing assessments and guidance for managers on wellbeing conversations. All available staff have had a wellbeing conversation.

We have formally recognised the hard work of individuals, teams, and services through the #best awards, celebrating the commitment to achieving the Council's Priorities, Values and Goals.

Land Charges Service was transformed to meet the new demands within the market through a full accessible online service.

2.9 Covid Response:

- We supported over 5000 businesses with over 30,000 contacts including the provision of a weekly newsletter becoming the trusted source for Covid information.
- We enabled and delivered £60m business grants directly with Partnership and Governance Service.
- We designed and led the Coronavirus outbreak management and prevention work within high-risk business settings to reduce transmission.
- We developed and designed the case management system for the management of Covid Outbreaks across NL.
- We enabled our response to our most vulnerable through the provision of good quality data and intelligence to ensure the right resource went to the right place.
- We supported the education of children by delivering 100 meals each week to children during lockdown.
- We enabled staff to work at home by ensuring up to date FAQ's, HR Policies and government guidelines were available on TOPdesk.
- Developed a COVID-19 secure sign off process in conjunction with corporate landlord.
- Health and Safety have signed off 51 work activity risk assessments and 301 covid secure buildings.
- We have worked with our partners to become a trusted source of information throughout the Pandemic.
- We have worked with the CCG to take the Vaccine out to employees.
- We have taken the lead in delivering a local test, track and trace service through our Registrars service and more recently moved to an enhanced targeted service working in partnership with the CCG to keep residents safe and well.
- Through leadership of the Organisation Recovery and Renew Group we have worked jointly across the Council to enable the safe re-opening of Council Assets.

2.10 Based on the review of 2020-21 and current position we will be focussing on the following priorities:

- Embedding our learning from businesses over the last 12 months to enable and deliver our Economic Renewal Plan
- Celebrate and review the success achieved in delivering our Economic Growth Plan to support our new and emerging plan.

- Developing our ambition, vision, and plans for the delivery of our plans for growth and regeneration through the Towns Fund, FHSF and Levelling up Fund.
- Develop and embed a refreshed Organisational Development Plan.
- Undertaking a review of the Commercial Property Strategy and Portfolio to ensure the continued positive impact for the Council and the local economy.
- Working with partners and businesses we will improve the number of people accessing high level skills, opportunities to re-skill and accessing employment.
- Deliver a sound Local Plan that sets the vision for the environment, infrastructure, housing, and employment growth for North Lincolnshire.
- Address and understand the market issues in Catering and Cleaning Service post pandemic.
- As the organisation takes shape, we will transform the HR/OD service to be the driving force for many initiatives: mapping talent to value; making the workforce more flexible; prioritising strategic workforce planning, and reskilling.

3. **OPTIONS FOR CONSIDERATION**

- 3.1 Cabinet are asked to consider the report and note the contribution made to the Council Plan strategic ambitions and response made to date to the COVID-19 pandemic and mid-term recovery.

4. **ANALYSIS OF OPTIONS**

- 4.1 The core functions across Business Development have been effectively maintained, statutory functions of Planning and Registers have continued to deliver performance in the upper quartile whilst dealing with the Covid pandemic. A review of our indicators are at appendix one of the report.
- 4.2 The positive working practices that have been successfully embedded throughout this period will be considered and built on as part of the next phase of transformation and strategic planning of the Council.

5. **FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)**

5.1 **Financial**

The total cost of operational delivery for Business Development 2020/21, including COVID-19 response was £2m against the allocated budget of £16k.

After applying the COVID-19 specific grants, the net cost of services was £-639k. There were several factors that contributed to keeping overall costs below budget, including a general pandemic related slowdown of spending on core costs such as staffing and supplies and service. Key risks remained around commercial income, specifically Catering, markets and Commercial Property. However, were reduced slightly due to the current climate. The contribution the team have made to the COVID-19 response by redirection of core resources funded by COVID-19 grants enabled effective use of external funding. Additional costs incurred as part of the council response to and recovery from COVID-19 is highlighted below:

Theme	£'000's
Test, trace and isolate	52
Re Opening High street	33
Deferred savings	300
Loss of income	997

5.2 Workforce

The FTE for business development at the end of 2020/21 stood at 331.50 with an improved level of attendance: 67% no absences compared to 53% the previous year; an average of 7.14 days lost to sickness compared to previous year of 10.27 days. Turnover during the year was 9.16% broken down as 32 resignations and 9 retirements.

6. OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)

6.1 National advice and guidance has been incorporated into the local response to the pandemic as it has become available. The enactment of the Coronavirus Act 2020 led to certain relaxations of statutory requirements and the introduction of new powers and statutory instruments.

6.2 The key risks to business development going forward are:

- Maintaining current occupancy levels in the Property Portfolio.
- Project Risk
 - Capacity to deliver our £218m development programme.
 - Market Capacity to support our development programme.

These are being managed through the programme risk registers with controls in place and appropriate mitigations being provided.

7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

7.1 Not applicable for the purposes of this report.

8. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

8.1 Not applicable for the purposes of this report.

9. RECOMMENDATIONS

9.1 That Cabinet notes the content of the report and the contribution that the Business Development Service has made to the Councils Strategic Plan and the response to the pandemic.

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Background Papers used in the preparation of this report: None