

To:	Vivian Branson, Cabinet Member for Economic Regeneration
From:	Jeremy Whittaker, Strategic Economic Regeneration Manager
Director:	Julie Beilby, Chief Executive

BRIEFING NOTE: EXECUTIVE - NON-KEY DECISION

BUSINESS RATES RETENTION PILOT AND POOL ECONOMIC PROGRAMME - UPDATE

Summary of Issue:

This report provides an overview of progress with the Business Rates Retention Pilot and Pool Programme. It also seeks approval for proposals set out in the report relating to the use of funding allocated towards supporting apprenticeships.

Recommendation:

That the report **BE NOTED**.

That the proposals regarding the use of funding allocated towards apprenticeships as set out in this report **BE AGREED**.

1 Background

1.1 Having been approved by both Tonbridge and Malling Borough Council and Kent County Council in 2021, good progress has been made on the economic initiatives in the Business Rates Retention Pilot and Pool Programme. Annexes 1 and 2 set this out in detail, but to date around three-quarters (74%) of the Business Rates Pool Programme has been spent, and just under two-thirds (61%) of the Business Rates Retention Pilot Programme has been spent.

1.2 Some of the highlights from these programmes include:

- Town Centre Regeneration Funding to deliver the initial phases of the Tonbridge Town Centre Review.
- Funding to provide additional resource into the Economic Regeneration Team to support the delivery of local economic initiatives.
- The successful delivery of two rounds of the shopfront improvement scheme (with another round currently underway).
- The successful delivery of two rounds of the Green Business Grant Scheme (with another round scheduled to launch in April 2023).
- Funding for Jobs Fairs and Business Networking events.

- 1.3 However, the main area where there hasn't been much progress to date is in supporting apprenticeship development either within the Council itself or through working with partnership organisations, training providers and businesses. However, initial work has now been undertaken to come up with a proposed way forward on each of these initiatives.

2 Apprenticeships

- 2.1 Proposals for the TMBC Apprenticeship Programme (£25,000) and the Apprenticeship Grant Scheme (£30,000) are as follows:
- 2.2 **TMBC Apprenticeship Programme (£25,000):** the Council has previously benefited greatly from opening up apprenticeship opportunities, with some of these apprentices now in more senior roles within the organisation. Whilst this is currently not the case, the Council has seen first-hand that we are now operating in a difficult recruitment environment. As such, taking the approach of offering an apprenticeship opportunity and training up our own staff could well help to bring the required skills into the organisation.
- 2.3 Having discussed this opportunity with Management Team, one potential example of where we could deploy an apprentice would be within our Customer Services team. Being based in this team could potentially provide a good starting point for an individual looking to start a career in Local Government. By dealing with a wide range of calls in a Customer Service team, the apprentice will be able to gain knowledge of the various functions the Council undertakes, and as such have a better chance of applying successfully for more permanent roles within the Council. In addition, the Customer Services team will be able to offer up options regarding location (Tonbridge Castle and Kings Hill Offices) and as such be able to adapt to ensure the place of work is relatively easy for the apprentice to get to.
- 2.4 The £25,000 available would be sufficient to cover one 12-month apprenticeship plus on-costs.
- 2.5 Should this be successful, if further funding becomes available then there may be apprenticeship opportunities in other departments such as in IT, planning and grounds maintenance.
- 2.6 **Apprenticeship Grant Scheme (£30,000):** initial discussions with KCC Apprenticeships suggested that running a grant scheme directly to support apprenticeships would not be the best use of the funding allocation as businesses already get incentives to employ apprentices, and there is a danger that taking on an apprentice just becomes about accessing funding in the eyes of potential employers. KCC Apprenticeships put forward a proposal for the council to use the funding to deliver workshops, events and promotion to raise awareness of apprenticeships, however in terms of deliverables, it was felt this would not necessarily have a meaningful direct impact on our young people. As such, this option was not pursued.

- 2.7 Through the Careers and Enterprise Partnership, the council has supported a handful of careers events with SEN schools in the borough, and this has brought to light the low percentage of their students with learning difficulties that end up in full-time employment.
- 2.8 In 2018, The Oaks Specialist College opened with just 10 students aged 18-25yrs with learning disabilities. This development was a direct response to sparse provision for young people with complex and specific additional needs being unable to access courses within mainstream colleges. Oaks now has around 114 students, and as well as providing a welcoming and engaging learning environment, the college has a strong focus on helping students gain key employability and independence skills, gaining work experience and understanding how businesses operate. This is extremely important because currently only around 5% of people with a learning difficulty end up in full-time employment. Currently, this figure is around 20% for students who have gone through Oaks Specialist College.
- 2.9 These employability skills are fostered through a series of internal work placements in the college that ensure a safe and supportive environment. For example, the students have a café and internal Tesco Express supermarket on site that help students gain experience of retail and hospitality, as well as gardening and horticulture, carpentry and art workshops.
- 2.10 The college is now working with a number of businesses locally to take this initiative further and give their students supported employment opportunities whilst they undertake their college courses. As things stand, the college has 5 placements with the NHS (at Maidstone Hospital) with a further 16 interns planned for September 23 (both Maidstone and Pembury sites), one with DPD (the delivery company) and placements starting with Amazon.
- 2.11 Understandably, the college is keen to expand this scheme out to provide opportunities for more of their students and to help branch out to other business sectors.
- 2.12 Given the initial success of the scheme, it is proposed that the Business Rates Retention Pilot 'apprenticeship grant scheme' allocation of £30,000 goes towards this initiative in order to help more students gain the skills they need to live an independent life. This funding would facilitate these further placements to be delivered by employing a full time Job Coach or even 2 part time who could support 8-12 learners.
- 2.13 As this funding specifically relates to Tonbridge & Malling Borough and the reach of the college stretches across a wider area, it is proposed that this specific funding be earmarked for placements that involve either a student that is resident in the borough or a business that is located in the borough (or both). Current approximately 35% of learners live with within the borough.

3 Legal Advice

- 3.1 The matters set out in this briefing note are considered routine or uncontroversial and a legal opinion has not been sought.

4 Financial and Value for Money implications

- 4.1 As set out in section 2, £55,000 funding has been allocated towards apprenticeships. This is split between two initiatives:

- TMBC Apprenticeship - £25,000
- Apprenticeship Grant Scheme - £30,000

- 4.2 There is no requirement for the borough council to provide any match-funding for these particular initiatives.

5 Risk Assessment

- 5.1 There are some relatively low-level risks associated with this particular programme, including:

- That the apprenticeship role at the council proves to be unattractive to potential applicants, and as such there are no submissions made. **Mitigation:** every effort will be made to make this an attractive opportunity, including flexibility on location (between Kings Hill and Tonbridge). In the event of no submissions, minor amendments could be made and a new recruitment process would have to be undertaken.
- That Oaks Specialist College does not deliver the expected outcomes. **Mitigation:** the grant offer letter will set out terms and conditions and targets and will be closely monitored with regular update meetings to ensure that the programme remains on track.
- That changes to the economy impact on the ability of Oaks Specialist College to deliver as expected. **Mitigation:** discussions would need to be had with the college in order to revise the expected outputs and outcomes in order for them to realistically represent the economic climate.

6 Public Sector Equality Duty

- 6.1 In commissioning these initiatives, the council will ensure that they have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2021.

7 Consideration by Overview and Scrutiny

- 7.1 We do not consider that this matter needs to be considered by O&S/SSC before a decision is made.

- 7.2 It is not a key decision as the spend is less than £100,000 and the effects on communities living or working in the area are unlikely to be significant. The funding for the scheme is part of the Business Rates Retention Pilot and Pool Programme, the submission of which was approved by TMBC Cabinet in January 2021 and endorsed by Kent County Council Cabinet in June 2021. The

decision does not cut across 2 or more portfolios nor does it propose a new or amended strategy. We are therefore of the view that this decision can be taken by the Cabinet Member.

8 Communications

- 8.1 It will be important to ensure that efforts are made to ensure there is a good level of awareness about these apprenticeship initiatives through social media channels and our website.

9 Conclusion

- 9.1 This programme represents an opportunity to provide additional support to local residents and businesses, and it is therefore requested of the Cabinet Member for Economic Regeneration to support the recommendations highlighted above.

10 Annexes

- 10.1 Annex 1 – Business Rates Pool Programme Overview
- 10.2 Annex 2 – Business Rates Retention Pilot Programme Overview

Annex 1 – Business Rates Pool Programme Overview

Initiatives	Allocation	Progress	Spent/ Committed to Date
Economic Development Officer	£70,000	This post was filled by James Read in March 2020, just ahead of the covid pandemic and this additional resource proved invaluable in providing support in managing the programme of discretionary business grants. Initially a 12-month contract, it was ultimately extended by an additional 12 months. However, in February 2022 James left the Council to take up a permanent role at Tunbridge Wells Borough Council. In August 2022, Stephen Wooding joined the Council on an 18-month contract and has been helping on UKSPF oversight and delivery, including setting up a new round of the Shopfront Improvement and Vacant Unit Improvement Grant Scheme. This allocation from the pool has been used up, with a £40,000 allocation from the pilot now being used.	£70,000
Highways Transport Studies in support of the Local Plan	£70,000	Smaller transport studies were paid for during 2021/22. Core transport modelling is now being progressed as part of the Local Plan preparation (current commitment of circa £52,001).	£66,251
Tonbridge Gateway	£10,000	Allocation was made to support with improving use of the gateway. This has contributed towards furniture and access arrangements.	£8,700
Green Business Grant Scheme	£150,000	Two rounds of the Green Business Grant Scheme have been launched (October 2021 and April 2022). In total 31 businesses have been allocated grant funding, covering a variety of 'green' measures including LED lighting, PV panels, heat source pumps and tree planting. Round 2 projects have until the end of April to spend and any residual funding (currently estimated at around £30,000) will get put into a third round (match-funding the UKSPF allocation).	£100,341
EV Charging Points	£40,000	Funding to support our EV charging roll-out. Whilst good progress has been made on the roll-out, BR Pool funding wasn't required in Phase 1. However, it is expected to be required in Phase 2.	£0
Natural Flood Management	£20,000	Is contributing towards two flood mitigation measures – in Ightham and Leybourne Lakes.	£20,000
TOTAL	£360,000		£265,292 (74%)

Annex 2 – Business Rates Retention Pilot Programme Overview

Initiatives	Allocation	Progress	Spent/ Committed to date.
Shopfront Improvement Scheme	£120,000	Two rounds of the scheme (Round 1 - Town and District Centres; and Round 2 – Local Centres and Parades). Both rounds now completed. The remaining c.£30,000 is being used as match funding to the UKSPF to help fund a further round of the scheme, which launched in January 2023.	£88,310
Tonbridge Town Centre Initiatives	£25,000	Helped to fund a number of small-scale initiatives in Tonbridge – pop-up shop, promotion and marketing (Xmas campaign), improvements to Railway Approach and a grant contribution towards new equipment for the Tonbridge Safer Towns Partnership. Completed in 2021/22.	£26,253
Malling Promotions	£15,000	Partnership project with the East Malling Trust, NIAB EMR and Kent PROW Team – installation of 5 interpretation panels. Completed in August 2022.	£12,050
Economic Events and Initiatives	£10,000	Has been used to fund our programme of Jobs Fairs (in Tonbridge and Aylesford over the course of the last couple of years) and also our business networking events. Allocation will be spent by end of 2022/23.	£7,394
TMBC Apprenticeships	£25,000	Discussed in this report	£0
Apprenticeships Grant Scheme	£30,000		£0
Town Centre Regeneration Investment Fund	£200,000	Has been used to fund Phase 1 of the Tonbridge Town Centre Review, with a further commitment towards Phase 2. Also £40,000 currently committed from this pot to cover the remainder of the EDO contract (see above).	£158,326
Smart Cities Pilot	£75,000	Work with the Digital Exclusion team is still ongoing – two areas identified (Trench and Aylesford) which have now had initial investigations undertaken to reduce the scale (and cost) of digital wi-fi off the KPSN network. Costings are still awaited before coming back to Management Team although it could be that both the initial and ongoing costs turn out to be prohibitive. In this case, alternative interventions will be scoped for tackling digital exclusion locally.	£0
Covid Resilience Measures	£25,000	Includes £19,000 in grants and £8,000 towards the covid-19 helpline. Completed.	£27,000
TOTAL	£525,000		£319,333 (61%)