

(Note: These minutes are subject to confirmation at the next meeting of the Sub-Committee scheduled to be held on 11 October 2016.)

Economic Prosperity Sub-Committee

6 September 2016

Present: Councillor J Walker (in the Chair)
Councillors J Cassidy, S L Cox, K Lee, P Earley,
Janet Hunter (part), A McMullen and A Percy.

EP13/09/16 Apologies

There were no apologies for absence.

EP14/09/16 Substitute Members

There were no substitute members.

EP15/09/16 Declarations of Interest and Dispensations

There were no Declarations of Interest or Dispensations reported.

EP16/09/16 Minutes

Resolved that the minutes of the previous meeting held on the 13 July 2016 be confirmed and signed by the Chair.

EP17/09/16 Ongoing Business Support Sub Group

The sub-committee gave consideration to appointing a task and finish sub group to investigate how many enterprises are not sustainable in their third and fourth years, the impact this has on employment and the economy and whether additional support could be provided to businesses over a longer period of time.

The proposed objectives of the study were to:

- a) examine the range of support available to start up businesses;
- b) examine the sustainability of new businesses in their 3rd and 4th years;
- c) consider whether providing extended and enhanced support for businesses in their 3rd and 4th years would reduce the likelihood of businesses failing and consequently have a positive impact on the local economy; and
- d) formulate recommendations as to how existing support might be enhanced or how additional services might be developed to improve the success rate of start up businesses, together with an assessment of the financial implications.

The sub-committee were presented with a proposed methodology for undertaking the study and an evaluation of the topic in terms of its timeliness, avoiding duplication with other work and contributing to policy development.

Economic Prosperity Sub-Committee

All members of the Council had been invited to express an interest in serving on the sub group and the following councillors had indicated a willingness to serve on it:

Councillor Janet Hunter
Councillor Peter Earley
Councillor Muriel Green
Councillor Pamela Brooks
Councillor John O'Shea
Councillor David McMeekan

The sub group would seek to complete its investigation by the end of 2016 with a view to submitting any final report and recommendations to the sub-committee in January 2017.

The sub-group would be supported by Sean Collier, Senior Manager (Business & Enterprise). Sean attended the meeting to provide an introductory presentation on the range of business start up support and business growth and survival available in North Tyneside together with a summary of the business survival rates compared to regional and national data.

Following the presentation members explored the topic in more depth when particular reference was made to:-

- a) those areas of business support that had ceased, including the Business Link and the Business Growth Service;
- b) establishing links with universities to offer support to graduate businesses;
- c) a Business Forum Exhibition to be held on 30 September 2016;
- d) the potential to disseminate business support information with business rate bills;
- e) the suitability of using Council premises for business networking opportunities;
- f) the impact of Britain leaving the European Union on funding for business support;
- g) the Council's decision not to provide lists of recommended suppliers so as not to show favouritism over those not included on the lists;
- h) the size and nature of typical start up businesses in North Tyneside;
- i) an annual survey of businesses undertaken by the Council which may provide the sub-group with useful data;
- j) the challenges facing young businesses, typically in their 3rd and 4th years when the various incentives, support and discounts cease to be available for example when landlords begin to claw back initial discounts in rent; and
- k) the lower rate of start up businesses in the North East compared to other regions and the need to increase this number, which in turn would increase the number of businesses who survive. The survival rates were unlikely to change significantly with increased business support.

It was **agreed** that (1) the Ongoing Business Support Sub-Group be appointed to investigate how many enterprises are not sustainable in their third and fourth years, the impact this has on employment and the economy and whether additional support could be provided to businesses over a longer period of time;

(2) the terms of reference and outline work programme presented to the sub-committee be approved;

(3) the membership of the sub group comprise Councillors Janet Hunter, Peter Earley, Muriel Green, Pamela Brooks, John O'Shea and David McMeekan; and

(4) Councillor Peter Earley be appointed Chair of the sub group.