



Report for:	Cabinet
Title of report:	Business Engagement Proposals
Date:	24 May 2022
Report on behalf of:	Councillor Alan Anderson, Portfolio Holder for Place
Part:	I
If Part II, reason:	N/A
Appendices:	Appendix 1 Current Business Engagement Activities Appendix 2 Business Profile
Background papers:	None
Glossary of acronyms and any other abbreviations used in this report:	UKSPS – United Kingdom Shared Prosperity Fund

Report Author / Responsible Officer

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Corporate Priorities	Building strong and vibrant communities Ensuring economic growth and prosperity
Wards affected	ALL
Purpose of the report:	<ol style="list-style-type: none">1. To review the Council's engagement with local businesses and to set out new framework2. To identify aims and outcomes of closer business engagement and to recommend a way forward
Recommendation (s) to the decision maker (s):	<ol style="list-style-type: none">1. Cabinet to approve the new framework for Business engagement in Dacorum.2. Cabinet to approve the establishment of a high-level strategic Hemel Business Board.

	3. Cabinet to approve holding a business event, hosted by the Leader, to launch the Hemel Business Board.
Period for post policy/project review:	1 year

1 Introduction/Background:

- 1.1 The report aims to set out a new framework and process how the Council will engage with companies in Dacorum. It aims to set out the benefits for both the Council and local companies in having an ongoing and transparent dialogue and developing a new way of working together for the economic wellbeing of the borough.
- 1.2 The report recognises that there is a significant amount of business engagement already taking place across Dacorum (see Annex 1) but there is a lack of high-level coordinated engagement with large, and strategically important, businesses in Dacorum. The aim is to put in place a framework which ensures effective communication between the Council and businesses at a strategic level. It also aims to create a platform which gives businesses a voice on the regional and national scene to highlight both the challenges and opportunities in Dacorum.
- 1.3 Businesses play a key role in developing the economic wellbeing of communities and their contribution to Dacorum's future sustainable economic growth is important. In order to meaningfully engage with the business community, the Council must develop a clear picture of businesses' barriers and challenges as well as their opportunities.
- 1.4 The challenge of encouraging engagement from the business community is dependent on the value businesses feel the engagement with the Council gives their business and in what respect their voice is being heard. Many larger businesses engage with the Council as part of their social value commitment, however, to achieve a deeper and more meaningful engagement, the true value of collaborating with the Council has to be felt. This requires a more sophisticated approach and an understanding of both parties' limitations and issues. A mature relationship needs to be developed and then sustained through arrangements which are fit for purpose.
- 1.5 In addition to this, the Pandemic has heightened the importance of the Council engaging with, and supporting, local businesses. Businesses will play a key role in the economic recovery and now is the ideal time to review how the Council engages with businesses.
- 1.6 As part of its economic recovery work, Dacorum Council has reviewed its business engagement activities and developed a comprehensive business engagement framework for the borough. The newly established Economic Recovery Board will engage with businesses to ensure they are part of, not only, the recovery of Dacorum's economy, but also play a key role in the development of an economy which ensures the economic wellbeing of all Dacorum residents.
- 1.7 An engagement framework is proposed which ensures effective communication between the Council and businesses at a strategic level. It also aims to create a platform which gives businesses a voice on the regional and national scene to highlight both the challenges and opportunities in Dacorum.

2 Key Issues/proposals/main body of the report:

- 2.1 Due to the effects of the Pandemic on the retail and hospitality sectors, the Council's Economic Development team has focussed its resources and support on these sectors over the last two years. It is now time to look forward to supporting business sectors which can provide significant outcomes for the economic wellbeing of residents over the coming years.
- 2.2 To ensure the engagement with businesses in Dacorum provides the optimal opportunity to provide a sustainable and inclusive growth, it is important that there is an agreement about which businesses the Council should engage with in the first instance.

- 2.3 The criteria for strategic engagement will include an assessment of:
- The value of businesses, i.e. high value sector offering high payment and requiring high skills.
 - Number of employees
 - Global importance
 - High exporter/innovation activities
 - High Growth and scale up potential
- 2.4 To understand the existence of business clusters, emerging sectors and the competitive edge of the economy, a deep dive into the current business landscape is needed and key sectors for focus need to be agreed. (see Annex 2 – Business Profile)
- 2.5 As an example, the sector with the biggest concentration of jobs and forming a distinct cluster is Information and Communication with 5000 jobs but it currently has 0% employment growth in Dacorum (source Dacorum Dashboard August 2021) The jobs within this sector are highly paid and skilled and provide an opportunity for Dacorum to identify a Unique Selling Point (USP) compared to other areas. It is clear that engagement with, and support from, the Council is required to ensure these is growth within this sector.
- 2.6 Maylands Business Park is the main business area in Dacorum and one of the largest business parks in the South East of England. It is located next to the Herts Innovation Quarter and is in close to Hemel Town Centre and the Hemel Garden Communities growth area. It would also make sense to focus activities and engagement with the businesses on Maylands. The strategic importance of Maylands and its contribution, not only the local economy, but also that of Hertfordshire and the UK is being recognised through the development of an Opportunity Plan for Maylands. The development of the Plan will require intensive engagement with businesses currently located there to identify their future plans and barriers to growth.

Business engagement framework

- 2.8 In order to achieve the optimal benefit from the Council's engagement with businesses, a clear framework has to be set out.
- 2.9 It is important to recognise that no one single approach to engagement can capture the views of the wide range of businesses in Dacorum. There are particular challenges in developing sustained engagement between businesses that are very different in terms of size or sector and it is unlikely that one single forum or issue can adequately engage with a cross-section of businesses.
- 2.10 There are also particular challenges in reaching smaller businesses through smaller strategic groups or business forums, which are often more difficult for SMEs to attend. To ensure that the Council engages with smaller businesses it is helpful to engage with business intermediary groups such as the Federation of Small Businesses (FSB).

Suggested approaches and aims for meeting the requirements for business engagement Function	Suggested mechanism
Structured approach to communication between the Council and local businesses on economic development issues and consultations such as the Local Plan.	<ul style="list-style-type: none"> • Hemel Business Board • Leader/Chief Executive business conversations

Suggested approaches and aims for meeting the requirements for business engagement Function	Suggested mechanism
Enable businesses to develop a strong voice to support their effective representation within the Economic Recovery Board, the Local Enterprise Partnership, Hemel Place Board and other structures	<ul style="list-style-type: none"> • Hemel Business Board • Engagement with business networks through the Economic Development Team. • Engagement with business leaders through the Chief Executive and Leader of the Council • Engagement through Economic Recovery Board representatives
Clarify for businesses how and where they can express their views on economic growth and other issues	<ul style="list-style-type: none"> • 1-1 regular business discussions with the Leader and CEO • Hemel Business Board
Facilitate the development of sector specific projects and programmes or discussions in support of economic strategies	<ul style="list-style-type: none"> • Sector networks and other mechanisms as appropriate, as led by Herts LEP, such as the Filming sector group • Herts IQ Innovation Hub
Facilitate B2B engagement and networking including access to new customers and procurement opportunities.	<ul style="list-style-type: none"> • Hemel Business Ambassadors events
Collection of up to date business intelligence and business priorities	<ul style="list-style-type: none"> • Database and continuous management through the LEP and other partners • Annual business survey undertaken by the Economic Development Team • Leader/Chief Executive business conversations

Hemel Business Board

2.11 It is proposed that the Council creates a Hemel Business Board which will include the key private sector influencers, key business sectors, business intermediaries and Herts LEP as well as the Chairs of the Hemel Place Board, Herts IQ and Hemel Garden Communities. It will be chaired by the private sector and attended by the Leader of the Council and Chief Executive. The Board will draw its private sector representatives from those companies which meet the criteria set out in section 2.3 of this report. It is anticipated that a significant number will be from the Maylands Business Area in recognition of its strategic importance to the local and regional economy.

2.12 *Proposed Terms of Reference*

- To provide a forum for discussion of strategic economic growth in Dacorum including joint horizon scanning and intelligence sharing.
- To help shape policies which are developed by other organisations but have an impact on Dacorum
- To provide a mechanism for discussion and agreement on Dacorum's input to the Herts LEP strategy and programmes between the Council and businesses
- To provide input into the implementation of projects and programmes to support economic growth including the Dacorum's Economic Recovery Plan and the Local Plan; and
- To support inward investment strategies and activities for Dacorum

- 2.13 Members of the group will need to attend as representatives of the sector they represent not solely as representatives of their individual business.
- 2.14 The Council will organise a high-level business event to launch the Hemel Business Board and set out the Council's priorities and the borough's opportunities. This will be hosted by the Leader of the Council and attended by approximately 10 strategically important businesses and regional partners. The aim of the event is to:
- Provide a high-level platform for Dacorum Council to showcase aspirations and plans to external partners.
 - Introduce the Council's Place Strategy and the work of the Hemel Place Board.
 - Facilitating a discussion focussed on opportunities and challenges for businesses.
 - Seeking input into the development of the Council's Investment Plan to secure UKSPF funding.

3 Options and alternatives considered

The Council could consider not engaging with businesses however, in order to grow the economy, it is considered essential that the Council has a dialogue with key employers in the area.

4. Consultation

James Doe – Strategic Director (Place)
Andrew Percival – Hemel Place Board Independent Chair
Kelvin Soley – Head of Communications

5 Financial and value for money implications:

- 5.1 The cost of the proposed Business event is approximately £1,000.
- 5.2 By engaging on a regular basis with major employers, the Council is more likely to be aware of any significant changes which might impact on business rates, such as relocation intentions or expansion plans.

6 Legal Implications

None

7 Risk implications:

A risk assessment has been completed as part of the Economic Recovery Plan.

8 Equalities, Community Impact and Human Rights:

A Community Impact Assessment has been carried out as part of the Economic Recovery Plan.

There are no Human Rights Implications arising from this report.

9 Sustainability implications (including climate change, health and wellbeing, community safety)

A thriving economy contributes positively to the health and wellbeing of residents.

10 Council infrastructure (including Health and Safety, HR/OD, assets and other resources)

None identified.

11 Statutory Comments

Monitoring Officer:

There are no specific powers for local authorities to engage with businesses generally however section 1 of the Localism Act 2011 provides a general power of competence which can be relied upon to implement the proposals in this report.

Under section 137 of the Local Government Act 1972, the Council has the power to incur expenditure, which in its opinion is in the interest of and will bring direct benefit to its area or any part of it or all or some of its residents.

S151 Officer:

The financial investment to support these proposals are minimal and can be funded through existing approved budgets in 2022/23.

12 Conclusions:

- 12.1 The Council is reinvigorating the way it engages with external partners and stakeholders. There is an exciting narrative emerging about the establishment of the Hemel Place Board, the review of Maylands Industrial area, Hemel Garden Communities and Herts IQ.
- 12.2 Business play a key role in developing the economic wellbeing of communities and their contribution to Dacorum's future sustainable economic growth is important. The aim, with the proposed approach, is to intensify the Council's strategic engagement with local businesses, and to develop a clear picture of businesses' barriers and challenges as well as their opportunities. The Council can then work proactively in partnership with businesses to attract investment, funding and regional and national recognition and support.
- 12.3 The UK Shared Prosperity Fund, has recently been launched with the government allocating £1,763,392 to Dacorum Borough Council for supporting local Business, People and Skills and Communities and Place. This provides an immediate opportunity for the Council and businesses to work together to develop and agree an Investment Plan in order to release the funding allocation from government. Closely engaging with the private sector when developing the Investment Plan will ensure that it will provide realistic and optimal outcomes for Dacorum residents and businesses.